

**PIPER RUDNICK LLP**

Thomas R. Califano (TRC 5283)  
1251 Avenue of the Americas  
New York, New York 10020-1104  
(212) 835-6000

Attorneys for United Parcel Service, Inc.

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF NEW YORK  
AT CENTRAL ISLIP

**Presentment Date and Time:**  
**October 27, 2003 at 10:00 a.m.**

-----X  
In re:

: Chapter 7  
: Case No. 03-82321-511  
:  
: Jointly Administered  
:  
:  
-----X

ALLOU DISTRIBUTORS INC., et al.,  
Debtors.

**OBJECTION TO APPLICATION FOR THE ENTRY OF AN ORDER  
DIRECTING THE EXAMINATION OF UNITED PARCEL SERVICE  
AND THE PRODUCTION OF DOCUMENTS PURSUANT TO  
RULE 2004 OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE**

United Parcel Service, Inc. (“UPS”), by its counsel, Piper Rudnick LLP, objects to the entry of an Order pursuant to Rule 2004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) authorizing and directing the examination of UPS and the production of all books, records, memoranda, correspondence, reports and other documents and respectfully sets forth and represents as follows:

**BACKGROUND**

1. On April 9, 2003, involuntary chapter 11 petitions (the “Involuntary Petitions”) were filed against each of Allou Distributors, Inc. (“Allou”), M. Sobol, Inc., Direct Fragrances, Inc., and Standford Personal Care, Inc. (collectively, the “Original Debtors”) by Congress Financial Corporation, Citibank, N.A. and LaSalle Business Credit, Inc., all of whom were pre-petition lenders of the Original Debtors (the “Lenders”). On April 10, 2003, with the consent of

the Boards of Directors of each of the Original Debtors, the Court issued orders for relief in each of the Original Debtors' chapter 11 cases. On April 14, 2003, the Court issued an Order for the joint administration of the chapter 11 cases of the Original Debtors under case number 03-82321 (MLC).

2. On April 18, 2003, the Lenders filed additional involuntary chapter 11 petitions against Rona and Trans World. On May 1, 2003, with the consent of Allou, the Court issued orders for relief in the chapter 11 cases of Rona and Trans World.

3. On April 25, 2003, Allou filed voluntary Chapter 11 petitions on behalf of HBA National, HBA Distributors, Pastel and Core (HBA National, HBA Distributors, Pastel, Core, Rona and Trans World, (collectively the "Subsequent Debtors"). Accordingly, Allou and its (6) six subsidiaries are all Debtors under chapter 11 of the Bankruptcy Code in related cases in this Court.

4. On May 7, 2003, the Original Debtors and the Subsequent Debtors filed an application with the Court seeking the joint administration of the Subsequent Debtors' chapter 11 cases with the chapter 11 cases of the Original Debtors, which was granted by the Court.

5. On May 29, 2003, the Court entered an order directing the appointment of a chapter 11 Trustee. Thereafter, by Order dated May 30, 2003, the Court approved the selection of Kenneth P. Silverman, Esq. as chapter 11 Trustee (the "Trustee").

6. On September 16, 2003, the Court entered an order converting the Debtors' chapter 11 reorganization proceedings to chapter 7 liquidation proceedings and the Trustee was appointed the interim chapter 7 Trustee of the Debtors' estate.

7. On September 24, 2003, the Trustee filed its Application for the Entry of an Order

Directing the Examination of United Parcel Service an the Production of Documents Pursuant to Rule 2004 of the Federal Rules of Bankruptcy Procedure (the “Application”), seeking the production documents and two UPS employees for examination.

8. By its Application, the Trustee is seeking discovery with respect to certain merchandise (pharmaceuticals) allegedly valued in excess of \$60,000, which was apparently given to UPS for delivery to HD Smith on or about December 2001. The Trustee alleges that the merchandise never reached its destination and that UPS has not adequately explained the alleged misdelivery.

### **GENERAL OBJECTION**

9. Counsel for UPS and the Trustee have attempted to resolve the issues presented in the Application consensually, but have been unsuccessful. UPS has produced all documents responsive to the Application and has offered to produce one of the two witnesses, Richard DaSilva, the primary investigator in this matter. Nonetheless, the Trustee has chosen to proceed with its Application despite the fact that the discovery has been voluntarily produced and the second witness named, Pat Dolan, located in California, likely has little to no knowledge beyond that of Mr. DaSilva. In light of UPS’s cooperation on this matter, as well as the futility of proceeding against UPS directly as discussed herein, the Application appears to be a waste of estate resources and is likely not in the best interest of the Debtors’ estates.

10. Notwithstanding Debtors’ claim, the shipment at issue was demonstrably delivered by UPS to HD Smith on December 4, 2001 at 8:05 a.m. The shipment was signed for by HD Smith’s employee, Mr. Hendrix. *See Exhibit A, UPS Document Production to Trustee, made October 20, 2003, at Bates Nos. UPS 0021-22.* The shipment was not misdelivered.

11. Moreover, even though the Trustee claims that the package was worth more than \$60,000, the Debtors did not advise UPS of this when they had an opportunity to do so at the time of shipment. In fact, the Debtors did not declare a value for its shipment, much less identify the package as valuable. Because UPS does not even accept for delivery packages with declared values over \$50,000 (see UPS Tariff, Item 460, at Exhibit B hereto), UPS finds itself the subject of this unreasonably overbroad demand by virtue of Debtors having withheld information from UPS.

12. The UPS Tariff is part of every shipping contract, including the one at issue here. Item 535 of the UPS Tariff limits UPS's liability to \$100 when shipper does not declare a value for the shipment. Even if the shipment was not delivered, a claim the Trustee makes in the face of documents plainly evidencing delivery, UPS's maximum liability is \$100. *See Owens-Corning Fiberglass Co. v. U.S. Air*, 853 F. Supp. 656 (E.D.N.Y. 1994) (Glasser, J.) (enforcing liability limitation where sufficient notice of liability limitation given); *Adams Express Co. v. Croninger*, 226 U.S. 491, 505-06 (1913); *Morris v. Covan World Wide Moving, Inc.*, 144 F.3d 377, 382 (5th Cir. 1998); *Husman Constr. Co. v. Purolator Courier Corp.*, 832 F.2d 459, 462 (8th Cir. 1987) (holding that it is unreasonable to subject a carrier to liability for enormous and unforeseeable consequential damages in return for an \$11.75 shipment fee).

13. In addition, even if the shipment was not delivered because it was wrongly converted by an employee (a charge the Trustee seems to imply about UPS Driver Frank Ortenzio), UPS's liability is still limited to \$100. *See Shapiro v. United Air Lines*, 1989 U.S. Dist. LEXIS 16842 (E.D.N.Y. Aug. 30, 1989) (Pratt, J.) ("only an appropriation of property by the carrier for its own use will nullify a proper limitation of liability."); *Tishman & Lipp, Inc. v. Delta Airlines*, 413 F.2d 1401 (2d Cir. 1969) (limitation of liability insulates carrier from consequences of deliberate wrongdoing by own employees); *Glickfield v. Howard Van Lines*,

*Inc.*, 213 F.2d 723, 727 (9th Cir. 1954) (holding that carrier may properly limit liability where conversion is by own employee).

14. Notwithstanding the fact that UPS's liability is clearly limited in this matter, UPS, in a letter dated October 20, 2003, produced all relevant documents related to the package at issue. *See* Exhibit A.

15. Despite UPS's full cooperation in providing all relevant responsive documents and access to the witnesses with the information the Trustee is seeking, the Trustee seeks additional discovery, by way of extensive, overbroad requests, regarding persons and documents it deems "critical" to Debtors' claims.

### **SPECIFIC OBJECTIONS**

16. In paragraph 13 of its Application, the Trustee seeks to examine UPS employees Richard DaSilva, Pat Dolan and any other employee who has knowledge of and/or familiarity with the circumstances surrounding the loss of Debtor's merchandise. Trustee also seeks to examine these employees regarding the investigation undertaken by UPS in connection with Debtor's claim or similar incidents of misdelivery at or about the same time Debtor's merchandise disappeared.

17. UPS objects to this request on the grounds that it is overly broad and unduly burdensome. Pat Dolan is currently employed by UPS in Laguna Hills, California. As such, it would be burdensome for UPS to produce Mr. Dolan in New York. In addition, Richard DaSilva is equally, if not more, knowledgeable than Pat Dolan regarding this investigation, as he was the lead investigator in this matter. UPS has offered Mr. DaSilva's deposition, but the Trustee insists on taking Mr. Dolan's testimony.

18. With regard to the requests made in paragraphs 14(a), (c), (d), (e) and (i),

responsive documents have already been produced, *see* Exhibit A, even though UPS objects to the requests made in paragraphs 14(a)-(i) on the ground that they are overly broad, and also objects to the requests made in paragraphs 14(a), (b), (e) and (i) on the ground that they are unduly burdensome.

19. With regard to the requests made in paragraphs 14(b), (g) and (h), UPS was unable to locate any responsive documents.

20. UPS further objects to the requests made in paragraphs 14(e) and (i) on the grounds that they may seek the disclosure of information protected by the attorney-client privilege and/or privileges attached to attorney work product and material prepared exclusively for litigation.

21. Moreover, the requests made in paragraphs 14(e), (g) and (h) concerning “other incidents of misdelivery” are wholly irrelevant to this matter. Debtor seeks recovery on one package shipment only, said to be worth over \$60,000.

22. Finally, the request made in paragraph 14(f) concerning UPS’s employment of and/or termination of Frank Ortenzio is completely irrelevant to this matter. In addition, UPS employment and termination records are confidential. Moreover, Mr. Ortenzio was terminated for reasons unrelated to Debtor’s claim. Allowing Trustee to search these records would not result in the discovery of any admissible evidence and would only serve to violate Mr. Ortenzio’s confidentiality.

**WHEREFORE**, United Parcel Service, Inc. respectfully requests that this Court deny the application for an Order and for such other and further relief as this Court deems just and proper.

Dated: October 24, 2003  
New York, New York

**PIPER RUDNICK LLP**

By: /s/ Thomas R. Califano  
Thomas R. Califano (TRC 5283)  
1251 Avenue of the Americas  
New York, New York 10020-1104  
(212) 835-6000  
Attorneys for United Parcel Service,  
Inc.

## **Exhibit A**

## ITT Delivery and Delivery Attempt Detail

Page 1 of 1

Searched Inquiry Number:  
1Z1407240333644166Tracking Number:  
1Z1407240333644166Service Level:  
GROUND

Associated Tracking Numbers:

Search

Select an Associated Tracking Number and click on Search to execute the search

Delivery Address:  
HD SMITH  
410 COMMERCE BLVD  
CARLSTADT NJ 07072  
UNITED STATESType:  
DELIVEREDDate:  
12/04/01Time:  
08:05Received By:  
HENDRIXLocation:  
DOCK

Late Air Reason:

Delivery Status:  
SIGNATURE OBTAINEDShipper Name:  
M. SOBOL INC. DIV OF ALLOUShipper Number:  
140724Stop Type:  
COMMERCIAL

Package ID:

Package Weight:  
0.00Saturday Delivery Charge:  
NO

Remarks:

Original Receiver:

Reason:

Return Address:

## Monetary

No monetary information available

## DIAD Detail

Name:  
ORTENZIO, FDriver ID:  
06215Vehicle Number:  
108978Data Source:  
DCSDIAD ID:  
S05/QPHDefined Area:  
0521SLIC/Location:  
0700 / MEADOWLANDS-CARLSTAT NJ USUpload Date/Time:  
12/04/01 17:20Stored Date/Time:  
12/04/01 17:23Stop Number:  
1Total Delivery Stop Count:  
17Packages at Stop:  
152

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Tracking Number:		Package Data - Tracking Number - Search Criteria				
Service Level:		1Z1407240333644166				
Search Results:		GROUND				
Type	Shipper #	Address/Location	Date	Time	Status	
DEL <input checked="" type="checkbox"/>	140724	410 COMMERCE BLVD CARLSTADT NJ 07072 US	120401	08:05	HENDRIX	DOCK

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United Parcel Service

July 29, 2002  
Shipper 140724  
Page 1 of 1

ATTN : RICH DA SILVA  
PHONE : (201)330-2332

**DELIVERY NOTIFICATION**

**FAX RESPONSE**

INQUIRY FROM: **MR. MARK DIGGETT  
M. SOBOL INC. DIV OF ALLOU  
50 EMJAY BLVD  
BRENTWOOD NY 11717**

SHIPMENT TO: **HD SMITH  
410 COMMERCE BLVD  
CARLSTADT NJ 07072**

Shipper Number ..... 140724

Tracking Identification Number... 1Z1407240333644166

According to our records 1 parcel was delivered on **12/04/01** at **8:05 A.M.**, and left at **DOCK**. The shipment was signed for by **HENDRIX** as follows:

SHIPPER NUMBER	PKG ID NO.	TRACKING NUMBER	ADDRESS (NO/STREET,CITY)	SIGNATURE
140724		1Z1407240333644166	410 COMMERCE BLVD CARLSTADT	

MNJ3RXD:000A0000

JUL 29 2002 09:35

UPS0003

404-847-8700

PAGE .01

07/24/2002 14:33 16314518479  
07/24/2002, 13:05 6312734699

ADJUSTMENT DEPT

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ALLOU DISTRIBUTORS INC.



50 Emjay Boulevard  
Brentwood, New York 11717

July 24, 2002

UPS  
980 Horseblock Road  
Farmingville, NY 11738  
Attn: Florence Silverstein  
Re: Tracking # 1z1407240333644166  
Our claim #: 689

Dear Ms. Silverstein,

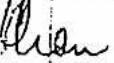
Per our conversation, we are enclosing our invoice no. 689 in the amount of \$60,665.50, which represents a claim for the value of missing merchandise, that was billed on our original invoice no. 1085674.

You will note from the enclosed correspondence that after extensive investigation as to the status of the missing merchandise, it was finally concluded that there was an apparent theft of merchandise as agreed in the letter from the Division Manager of H D Smith, to your District Security Manager.

We, therefore, have no other alternative, but to request payment in the amount of \$60,665.50, not \$100.00 based on your liability. We are enclosing all pertinent documentation regarding our claim. If you have any questions, please do not hesitate to call me at 631-787-1230.

Thank you in advance for your expeditious remittance of the above-mentioned amount.

Sincerely,  
Alloy Distributors Inc

  
Kenneth Chan  
Adjustment/Claims Department

cc: I. Levine

Post-it® Fax Note		7671	Date	1/24/02	# of pages
To	Rebecca Dolan		From	Florence	
Co/Dept	LP		Co.	UPS - PCA	
Phone #	801-330-2324		Phone #	8-743-2615	
Fax #	224-2649		Fax #	5-743-8479	

(631) 273-4000.

Fax (631) 273-4699

UPS0004

JUL 24 2002 15:42

16314518479

PAGE .01

07/24/2002 14:33 16314518479  
07/24/2002 13:05 6312734699

ADJUSTMENT DEPT

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## Allou Distributors Inc.

50 Emjay Blvd,  
Brentwood, NY 11717  
Phone Number: 631-273-4000  
Fax Number: 631-273-4699

Invoice No. 689

## INVOICE

Customer		
Name	UPS	
Address	PO Box 1265	
City	Newport News	State VA
Phone	23601 800-742-5877	
Date	7/24/02	
Your PO #		
Rep	75	
FOB	Truck	

Qty	Description	Unit Price	TOTAL
	This bill represents a claim for missing merchandise which was not received on your tracking number 1z1407240333644168. Our invoice no. 1085674 refers.	\$80,865.50	
			\$80,865.50
		TOTAL	\$80,865.50

Please remit to: First Union POB 18030 Newark, NJ 07191

# CARRIER CLAIM REQUEST FORM

(please fill out completely)

Carrier Name Uk Acct # 990001

PRO # 171407240333644166

Date of POD 07/13/01

689

Our Customer 477unit

Original Invoice # 1015677 Date 07/13/01 Amount \$ 60665.50

Shipped to: \_\_\_\_\_

This loss is evidenced by  the carrier's delivery receipt (POD) or  
by  the customer's claim. (Check one)

Claim Information (Breakdown of items missing or damaged which  
form the basis of this claim):

<input type="checkbox"/> Items / cases / dozens, (circle one)	Missing (circle one)	Damaged / Refused (circle one)	Cost	<u>60665.50</u>
<input type="checkbox"/> Items / cases / dozens, (circle one)	Missing / Damaged / Refused (circle one)		Cost	
<input type="checkbox"/> Items / cases / dozens, (circle one)	Missing / Damaged / Refused (circle one)		Cost	

60665.50  
Grand total

Requested by Ken

Date 7-14-02

(Please remember to include Credit Documents if warranted and all documents in order and in  
duplicate including POD and customer's invoice. Claims will be done and/or discussed on the  
last working day of each week.)

07/24/2002 14:33 16314518479  
07/24/2002 13:05 6312734699  
JUL-24-2002 10:14 H D SMITH

ADJUSTMENT DEPT

217 467 8299

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P.02/02



June 25, 2002

Mr. Patrick Dolan  
District Security Manager  
United Parcel Service  
493 County Avenue  
Secaucus, NJ 07094

Dear Mr. Dolan,

During our initial meeting with you on April 26, 2002, we stated that we had reported to managers of your company several inaccuracies in your proofs of deliveries for merchandise dating back to June of last year that we did not receive. The inaccurate proofs of deliveries were all for blanket signatures and seemingly all from the same driver. We also told you that in January, when we started to scan each UPS package received, that several packages were missing. However, proofs of delivery could not be provided by UPS for any of the packages we scanned. None of those packages have been recovered. At that meeting, you indicated you had started an investigation and that you felt there was a UPS problem.

At our second meeting on June 12, 2002, you told us that the investigation was still ongoing and that the DEA was now involved with this investigation. You also stated that UPS had terminated the driver in question.

I would like in writing any information you can provide as to the status of this matter. This information is needed to provide the manufacturers whose merchandise we have never received a complete explanation and resolution to their missing product. Thank you for your assistance in this matter. If you have any questions, please contact me.

Sincerely,

A handwritten signature in cursive ink that appears to read "Larry Neeskens".

Larry Neeskens  
Division Manager

LN/s

cc: Dale Smith  
Harvey Tanenbaum  
John D'Amaro  
John Heller  
Mike Mordaga

---

410 Commerce Blvd. • Carlstadt, NJ 07072  
Phone: (201) 438-8666 • Fax: (201) 438-3606

TOTAL P. 02

UPS0007

16314518479

PAGE .04

07/24/2002 14:33 16314518479  
07/24/2002 13:05 6312734699  
JUL-24-2002 10:14 H D SMITH

ADJUSTMENT DEPT

217 467 8299

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P.01/02

**SMITH**  
H D

Corporate Office  
2980 Baker Drive  
Springfield, IL 62703  
Phone: 217.753.1688  
Main Fax: 217.467.8299

Date: 7-24-02

To: Steven O'hern

Company: Allow

Fax: 631 - 273 - 0410

From: John D'amato

Number of Pages (including cover sheet): 2

Message:

07/24/2002 14:33 16314518479  
07/24/2002 13:05 6312734699

ADJUSTMENT DEPT

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ALLOU DISTRIBUTORS INC.



50 Emjay Boulevard  
Brentwood, New York 11717

March 14, 2002

Mr. John D'Amaro  
Chief Financial Officer  
HD Smith Wholesale Drug Company  
2980 Baker Drive  
Springfield, IL 62703

Dear John:

I have tried to speak to you on the telephone on three occasions, without success concerning a deduction of \$60,665.50. As evident from the attached documents, we have provided all pertinent information indicating that the merchandise was delivered to your company and received without exception. In addition, we have attempted to convey this information to your accounts payable department, but continue to be told that your records do not indicate a receiving.

I would appreciate your assistance in resolving this issue and remit to us a check for \$60,665.50.

Thank you in advance for your assistance. If you need additional information, please call me at 631-787-1326.

Sincerely,  
Allou Distributors, Inc.

  
Steven J. Lerner  
General Manager  
Credit/Adjustment Department

Attachments

(631) 273-4000

Fax (631) 273-0410

07/24/2002 14:33 16314518479  
07/24/2002 13:05 6312734699

ADJUSTMENT DEPT

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ALLOU DISTRIBUTORS INC.



50 Bayjay Boulevard  
Brentwood, New York 11717

January 16, 2002

H D Smith Wholesale  
4650 Industrial Drive  
Springfield, IL 62703  
Attn: Bonnie Yager

Dear Bonnie,

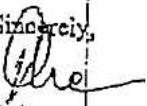
We are in receipt of your check no. 332896 dated 1/9/02, in which you deducted the amount of \$60,665.50, representing a non-receipt of merchandise, as billed on our invoice no. 1085674.

We have since filed a tracer with our carrier, UPS, and are pleased to enclose a copy of our proof of delivery indicating that your company received the shipment on 12/4/01.

Therefore, we have no other alternative but to request a reimbursement of the amount of \$60,665.50, upon receipt of this letter. If you have any questions, please call me at 631-787-1230.

Thank you in advance for your time in resolving this matter.

Sincerely,

  
Kenneth Chan  
Adjustment Dept.

UPS0010

JUL 24 2002 15:43

16314518479

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07/24/2002 14:33 16314518479

07/24/2002 13:05 6312734699

ADJUSTMENT DEPT

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#DW.C

PAGE 06



4650 INDUSTRIAL DRIVE — SPRINGFIELD, ILLINOIS 62703

1/02/2002

DEBIT MEMO # 130287

VENDOR NUMBER: 000959  
HBA NATIONAL SALES  
50 EMJAY BOULEVARD  
BRENTWOOD, NEW YORK 11717-

P.O. # 959678  
INVOICE # 1085674  
INVOICE DATE 12/03/2001  
DUE DATE 1/02/2002

When the above order was delivered, we found the following merchandise was missing from the order. We will be deducting its value from our remittance. If you have any questions please call at 217-529-0211.

(See Attached List)

Total amount of Debit Memo 60,665.50

SINCERELY,

BONNIE YAGER

217-529-0211

UPS0011

JUL 24 2002 15:43

16314518479

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UPS0012

07/24/2002 14:33 16314518479  
07/24/2002 13:05 6312734699

ADJUSTMENT DEPT

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WHOLESALE DRUG COMPANY

4650 INDUSTRIAL DRIVE — SPRINGFIELD, ILLINOIS 62703

REFERENCED ITEMS

<u>QUANTITY</u>	<u>PACK</u>	<u>ITEM</u>	<u>DESCRIPTION</u>	<u>NOTES</u>
1	1M	PREVACID CAPS 15MG.	0300154119	
11	90	ARICEPT TAB 10MG	062856024690	
1	1M	ZYPREXA TABS 10MG.	0002411704	
21	60	ZYPREXA TABS 7.5MG	0002411660	
28	60	ZYPREXA TABS 10MG	0002411760	
24	100	PROZAC CAP 20MG	777310502	
4	500	ZOLOFT TABS 50MG	000049490073	
3	500	ZOLOFT TABS 100MG	000049491073	
12	100	PAXIL TABLETS 20MG	00029321120	
16	100	SEROQUEL TABS 200MG	0310027210	
20	100	PREVACID CAPS 30MG	00300304613	

UPS0013

JUL 24 2002 15:44

16314518479

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07/24/2002 14:33 16314518479  
07/24/2002 13:05 6312734699

ADJUSTMENT DEPT

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DATE	INVOICE NO.	TERMS	NET DAYS	YOUR ORDER NO.	ACCOUNT NO.
12/03/01 RX	1085674	NET 30 DAYS	DAYS	050959678	880344

CLAIMS FOR SHORTAGES, ERRORS, OR DAMAGES MUST BE MADE WITHIN 24 HOURS OF RECEIPT OF GOODS

SLSMN 36 00617784

SHIP TO  
980344  
HD SMITH WHOLESALE DRUG  
JJ BALAN  
410 COMMERCE BLVD UNIT B  
CARLSTADT NJ 07072

JJBAL



SOLD TO  
880344 217-529-0211 PAGE: 1 OF 1  
HD SMITH WHOLESALE DRUG  
HD SMITH WHOLESALE DRUG  
P.O. BOX 156  
SPRINGFIELD IL 62705

M. SOBOL INC.  
XXXXXXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXXXXX

ITEM NO.	QUANTITIES				DESCRIPTION	RETAIL PRICE	COST	NET AMOUNT
	ORDERED DOZENS	UNITS	SHIPPED DOZENS	UNITS				
0015670		11		11	ARICEPT TABS 10MG 90			313.20 3445.20
0024871		12		12	PAXIL TAB 20MG 100			210.76 2528.68
0010181		1		1	PREVACID CAP 15MG 1000			3287.59 3287.59
0025278	20		20		PREVACID DR CAP 30MG 100			335.01 6700.20
0028876	24		24		PROZAC PUL 20MG 100			239.64 5751.36
0015004	16		16		SEROQUEL TAB 200MG 100			408.70 6539.20
0026224	3		3		ZOLOFT TAB 100MG 500			964.76 2894.28
0026103	4		4		ZOLOFT TAB 50MG 500			937.59 3750.36
0028600	21		21		ZYPREXA TAB 7.5MG 60			300.58 6312.18
0029601	22		22		ZYPREXA TAB 10MG 60			435.59 12196.52
0020177	1		1		ZYPREXA TAB 10MG 1000			7259.73 7259.73

\* PLEASE REMIT TO THE FOLLOWING ADDRESS PROMPTLY UPON DUE DATE  
ALLOU / SOBOL PO BOX 18274 NEWARK, NJ 07191-8274

TOTAL → 60665.50

UPS0014

07/24/2002 14:33 16314518479

07/24/2002 13:05 6312734699  
UPS Package Tracking

ADJUSTMENT DEPT

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UNITED PARCEL SERVICE

### DELIVERY NOTIFICATION

Dear Customer:

This is in response to your request for delivery information concerning the shipment listed below.

Tracking Number: 1Z 140 724 03 3364 416 6  
Reference Number(s): 00007286236177840010, 050959678, 00007286236177840010,  
Service Type: GROUND  
Package Weight: 23.30 Lbs  
Shipped or Billed on: Dec 3, 2001

Delivered on: Dec 4, 2001 8:05 A.M.

Delivered to: HD SMITH

410 COMMERCE BLVD  
CARLSTAADT, NJ, US 07072

Signed by: HENDRIX

Location: DOCK

Thank you for giving us this opportunity to serve you.

Sincerely,  
United Parcel Service

Tracking results provided by UPS: Jan 16, 2002 4:41 P.M. Eastern Time  
(USA)

### Deductions by Item

Pharmacia	127982	5239117	11/19/01	\$3,146.10 Celebrex 200mg 500	3	11/21/01	8:10 AM	127245110200545213
Bayer Pharm	129787	81107	10/17/01	\$575.40 Precoze Tab 25mg 100	25P0007	12	11/20/01	11/21/01
Bayer Pharm	129787	81107	10/17/01	\$5,219.04 Avelox Tab 400mg 30	1DGM	24		
Bayer Pharm	129787	81107	10/17/01	\$1,739.52 Avelox Tab 400mg ABC 5	1CEXA	48		
Novartis	129863	104133	11/19/01	\$228.81 Vivelle Dot .1mg 8	1265041C1	3	11/20/01	11/21/01
Novartis	129863	104133	11/19/01	\$5,040.00 Comtan Tab 200mg 100	175E9292	36		
Novartis	129863	104133	11/19/01	\$3,148.56 Actigall Cap 300mg 100	197E0350	12		
Novartis	129863	104133	11/19/01	\$9,490.80 Lotrel Cap 5mg/10mg 100	304E9716	60		
Novartis	129863	104133	11/19/01	\$4,411.80 Diovan HCT 80/12.5 100	012E2303	36		
Novartis	129863	104133	11/19/01	\$7,917.60 Diovan HCT 160/12.5 100	043E2347	60		
Novartis	129863	104133	11/19/01	\$887.76 Lescap Cap 40mg 30	013E2025	24		
JOM	129863	104133	11/19/01	\$10,622.40 Famvir Tab 500mg 30	28724	60		
Allou	130029	171127		\$10,036.08 Risperdal Tab 25 60x24	1P001			
Allou	130287	959578	12/2/01	\$3,445.20 Aricept Tab 10mg 90		72	11/30/01	12/03/01
Allou	130287	959578	12/2/01	\$2,528.88 Paxil Tab 20mg 100		11	12/3/01	12/4/01
Allou	130287	959578	12/2/01	\$3,287.59 Prevacid Cap 15mg 1000		12		
Allou	130287	959578	12/2/01	\$6,700.20 Prevacid DR Cap 30mg 100		1		
Allou	130287	959578	12/2/01	\$5,751.36 Prozac Pul 20mg 100		20		
Allou	130287	959578	12/2/01	\$6,539.20 Seroquel Tab 200mg 100		24		
Allou	130287	959578	12/2/01	\$2,894.28 Zoloft Tab 100mg 500		16		
Allou	130287	959578	12/2/01	\$3,750.36 Zoloft Tab 50mg 500		3		
Allou	130287	959578	12/2/01	\$6,312.18 Zyprexa Tab 7.5mg 60		4		
Allou	130287	959578	12/2/01	\$12,196.52 Zyprexa Tab 10mg 60		21		
Allou	130287	959578	12/2/01	\$7,259.73 Zyprexa Tab 10mg 1000		28		
Bayer Pharm	129911	81110		\$287.70 Precoze Tab 50mg 100		1		
Bayer Pharm	129911	81110		\$371.10 Precoze Tab 100mg 100		6	12/4/01	12/05/01
Bayer Pharm	129911	81110		\$1,150.80 Precoze Tab 25mg 100		6	12/05/01	8:07 AM
Bayer Pharm	129911	81110		\$18,265.64 Avolox Tab 400mg 30		24		
Bayer Pharm	129911	81110		\$3,479.04 Avolox Tab 400mg ABC 5		84		
Wyeth Ayerst	130286	251122	12/4/01	\$127.53 Phenergan Tab 25mg 100		96		
Wyeth Ayerst	130286	251122	12/4/01	\$189.33 Inderal LA Cap 40mg 100		3	12/5/01	12/07/01
Wyeth Ayerst	130286	251122	12/4/01	\$289.38 Inderal LA Cap 60mg 100		3	8:05 AM	125X352X0336707078
Wyeth Ayerst	130296	251122	12/4/01	\$338.40 Inderal LA Cap 80mg 100		3		
Wyeth Ayerst	130296	251122	12/4/01	\$219.51 Ismo Tab 20mg 100		3		
Wyeth Ayerst	130296	251122	12/4/01	\$681.60 Effexor Tab 37.5mg 100		1074		
Wyeth Ayerst	130296	251122	12/4/01	\$A07064		6		

UPS0016

*Deductions by Item*

1	Hendrix	P	C	1/28/02
1	Hendrix	P	C	3/1/02
1	Hendrix	P	C	3/22/02
1	Ahmet	P	C	1/28/02
1	Ahmet	C	C	1/15/02
2	Ahmet	C	C	3/5/02
2	Ahmet	C	C	3/5/02
1	Hendrix	P	C	



**United Parcel Service**

## Investigation Log

Investigation: H.D. Smith Date: 01/30/2002

**Contacts: (Name, Phone #, Fax #, etc.)** **Tracking #** **1Z 140 724 03 3364 4166**

1. Mike Mondaga (201) 907-2074 H.D. Smith Security Investigator
2. John Heller (201) 438 8666 H.D. Smith Operations Manager
- 3.
- 4.
- 5.

Package Data - Tracking Number - Search Criteria											
Tracking Number:	1Z1407240333644166										
Service Level:	GROUND										
Scheduled Delivery Date:	12/04/01										
<b>Search Results:</b>											
Package is Part of a Shipment.											
Type	Shipper #	Address/Location	Date	Time	Status						
DEL	140724	410 COMMERCE BLVD CARLSTADT NJ 07072 US	12/04/01	08:05	HENDRIX	DOCK					
SCAN		0709 MEADOWLANDS, NJ US	12/04/01	05:13	OUT FOR DEL						
SCAN		0709 MEADOWLANDS, NJ US	12/04/01	00:19	ARRIVAL SCAN						
SCAN		1159 NASSAU, NY US	12/03/01	23:03	DEPARTURE						
SCAN		1159T NASSAU, NY US	12/03/01	20:14	ORIGIN SCAN						
MANIF	140724	/ US	12/03/01	15:36	BILLING INFO						

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John Heller

*John Heller*

From: Rhonda L. McClintock [rmclintock@hdsmit.com]  
Sent: Wednesday, January 23, 2002 1:05 PM  
To: John Heller (E-mail)  
Cc: Bob Dynek (E-mail); Bonnie Yager (E-mail)  
Subject: Allou Debit

→ Hi John, ←

I am going to fax some documentation to you from Allou Distributors (vendor 959). We took a deduction for an entire order (\$60,665.50); however, Allou has provided a POD with Hendrix signature. Can you tell me 1.) is this Hendrix's signature? and 2.) is the order in Carlstadt? There are not count adjustments on any of these items in the system so it does not appear we have received them. Since this is such a large amount, any direction you can offer is greatly appreciated.

► Rhonda L. McClintock ←  
H. D. Smith Wholesale Drug Company  
Purchasing Administration Supervisor  
Phone: (217) 529-0211 x-208  
Fax: (217) 529-1428  
rmclintock@hdsmit.com ←

ACTUAL WEIGHT  
21.90 LBS

They have it as

23.30 LBS

Never received

UPS0020



UNITED PARCEL SERVICE

DELIVERY NOTIFICATION

This is in response to your request for delivery information concerning the shipment listed below.

Tracking Number: 1Z 140 724 03 3364 416 6  
Reference Number(s): 00007286236177840010, 050959678, 00007286236177840010,  
Service Type: GROUND  
Package Weight: 23.30 Lbs  
Shipped or Billed on: Dec 3, 2001

Delivered on: Dec 4, 2001 8:05 A.M.  
Delivered to: HD SMITH  
410 COMMERCE BLVD  
CARLSTADT, NJ, US 07072  
Signed by: HENDRIX  
Location: DOCK

SO B1  
Div. of  
the  
Bronx Co., NY

→ Thank you for giving us this opportunity to serve you.

→ Sincerely,  
→ United Parcel Service

→ Tracking results provided by UPS: Jan 16, 2002 4:41 P.M. Eastern Time

1/16/02  
TOTAL P. 08

UPS0021



United Parcel Service

January 30, 2002  
Shipper 140724  
Page 1 of 1

ATTN : RICH DA SILVA  
PHONE : (201)330-2332

**DELIVERY NOTIFICATION**

**FAX RESPONSE**

INQUIRY FROM: MR. MARK DIGGETT  
M. SOBOL INC. DIV OF ALLOU  
50 EMJAY BLVD  
BRENTWOOD NY 11717

SHIPMENT TO: HD SMITH  
410 COMMERCE BLVD  
CARLSTADT NJ 07072

Shipper Number..... 140724  
Tracking Identification Number... 1Z1407240333644166

According to our records 1 parcel was delivered on 12/04/01 at 8:05 A.M., and left at DOCK. The shipment was signed for by HENDRIX as follows:

SHIPPER NUMBER	PKG ID NO.	TRACKING NUMBER	ADDRESS (NO/STREET,CITY)	SIGNATURE
140724		1Z1407240333644166	410 COMMERCE BLVD CARLSTADT	

MNJ3RXD:000A0000

UPS0022

## **Exhibit B**

United Parcel Service, Inc. (a New York corporation) MC-116200

United Parcel Service, Inc. (an Ohio corporation) MC-115495

United Parcel Service Canada Ltd. MC-186275

**GENERAL TARIFF CONTAINING THE  
CLASSIFICATIONS, RULES AND PRACTICES  
FOR THE  
TRANSPORTATION OF PROPERTY**

In Individual Shipments of Packages or Articles Not Exceeding 150 Pounds Apiece nor exceeding 108 inches in Length, or 130 Inches in Length and Girth combined, except as provided in Item 1030 of Tariff, via all Motor and Substituted Service Between Points and Places in the United States. Certain other classifications, rules and practices may apply as provided in the shipper's contract.

For Reference to Governing Publications see Item 400 of Tariff.

**EFFECTIVE: September 24, 2001**

Issued By:

OFFICE OF GENERAL COUNSEL  
UNITED PARCEL SERVICE, INC.

55 Glenlake Parkway, NE  
Atlanta, Georgia 30328

Permanent Address:  
United Parcel Service, Inc.  
(a New York corporation)  
55 Glenlake Parkway, NE  
Atlanta, Georgia 30328

Permanent Address:  
United Parcel Service Canada Ltd.  
6285 Northam Drive, Suite 400  
Mississauga, Ontario  
Canada L4V 1X5

Permanent Address:  
United Parcel Service, Inc.  
(an Ohio corporation)  
55 Glenlake Parkway, NE  
Atlanta, Georgia 30328

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ITEM	LIST OF PARTICIPATING CARRIERS	
CARRIER CODE	MOTOR CARRIERS	CERTIFICATE NUMBER
UPSN UPSS UPSC	United Parcel Service, Inc. (a New York corporation) United Parcel Service, Inc. (an Ohio corporation) United Parcel Service Canada Ltd.  Each of the participating carriers individually, or any combination of them collectively, are sometimes referred to herein as UPS.	MC-116200 MC-115495 MC-186275

	GOVERNING PUBLICATIONS											
400	<p>This Tariff, containing the Rates, Classifications, Rules and Practices, incorporates herein the following described tariffs, and their supplements or loose-leaf page amendments or successive issues thereof, except to the extent the terms therein are inconsistent with the terms of this Tariff, in which case the terms of this Tariff govern.</p> <table border="1"> <thead> <tr> <th>TITLE OR KIND OF TARIFF</th> <th>ISSUING AGENT OR CARRIER</th> <th>TARIFF</th> <th></th> </tr> </thead> <tbody> <tr> <td>Local Zone Charts</td> <td>United Parcel Service, Inc.</td> <td></td> <td></td> </tr> </tbody> </table> <p>The effective UPS Rates are defined as the rates established by UPS for the type of service provided for individual shippers, which are in effect at the time of shipping, plus any additional charges or rates for nonstandard service, additional or nonstandard usage, and any other additional charges referenced within this Tariff, or those applicable additional rates set out in any customized contracts. To determine the amount of any charge for UPS service, consult the effective UPS Rates. The effective UPS Rates are available upon request at the local UPS office.</p> <p>The effective UPS Rates and Service Guides in effect at the time of shipment, and the description of UPS Services at <a href="http://www.ups.com">www.ups.com</a>, as well as any modifications, amendments, supplements, or successive publications thereof, are hereby incorporated by reference as part of the terms and conditions of this Tariff.</p> <p>The UPS Tariff; the effective UPS Rates and Service Guides and the description of UPS Services at <a href="http://www.ups.com">www.ups.com</a>, which are incorporated in the Tariff; and the UPS source document for each shipment, together comprise the complete and exclusive agreement of the parties and may not be contradicted or modified by any oral agreement.</p> <p>Any failure to enforce or apply any provision of the Tariff, or any other provision of the parties' agreement, shall not constitute a waiver of that provision by UPS, and shall not diminish UPS's right to enforce such provision.</p>				TITLE OR KIND OF TARIFF	ISSUING AGENT OR CARRIER	TARIFF		Local Zone Charts	United Parcel Service, Inc.		
TITLE OR KIND OF TARIFF	ISSUING AGENT OR CARRIER	TARIFF										
Local Zone Charts	United Parcel Service, Inc.											
415	<p><u>SUBSTITUTION OF RAIL SERVICE</u></p> <p>UPS may, at its option, substitute rail service between the points served for its services via highways for which such motor carrier has lawful operating rights as a carrier via motor vehicle.</p> <p>When substituted service is performed under the provisions of this Tariff, the effective UPS Rates referenced herein will apply to such substituted service.</p>											
420	<p><u>SUPPLEMENTAL CORRECTIONS OR SUCCESSIVE ISSUES</u></p> <p>Where reference is made in this Tariff to a tariff, item, note, rule, or table, such reference will include any supplemental or successive issues of such tariff, item, note, rule, or table.</p>											

ITEM	RULES AND OTHER PROVISIONS WHICH GOVERN THE TRANSPORTATION OF PROPERTY
425	<p style="text-align: center;"><b><u>FIREARMS AND AMMUNITION</u></b></p> <p>Firearms will be transported only between licensed importers, licensed manufacturers, licensed dealers and licensed collectors, as defined in the United States Gun Control Act of 1968 (Public Law 90-618, enacted October 22, 1968), as amended by the Firearms Owners' Protection Act (P.L. 99-308, approved May 19, 1986, and a subsequent amendment thereto, P.L. 99-360, approved July 8, 1986) ("the Acts"), law enforcement agencies of the United States or of any department or agency thereof, and law enforcement agencies of any State or any department, agency or political subdivision thereof, and from a person not otherwise prohibited by Federal, State or local law to a licensed importer, licensed manufacturer or licensed dealer for the sole purpose of repair or customizing, and the repaired firearm or a replacement firearm of the same kind or type on return from the licensed importer, licensed manufacturer or licensed dealer to that person. The shipper must affix a UPS label, requesting an adult signature upon delivery, to each package containing a firearm. Adult means a person 21 years of age or older. Handguns, as defined by the Acts, will only be accepted for transportation in UPS Next Day Air Services, but will not be accepted for transportation via UPS Letter Centers, Internet Shipping, or in response to a request for a One-Time Pickup or for On-Call Pickup Service. Firearms, including handguns, will not be accepted when presented for shipment at a UPS Authorized Shipping Outlet or a UPS Commercial Counter. Small arms ammunition, as defined in 49 C.F.R. Section 173.59, will be transported only when packaged and labeled in compliance with 49 C.F.R. Section 172.</p>
435	<p style="text-align: center;"><b><u>MEASUREMENT OF COMBINED LENGTH AND GIRTH</u></b></p> <p>To determine the length of a regularly shaped package or article, measure the longest side.</p> <p>To determine the girth, measure the distance around the package or article at its thickest part, at a right angle to the length. The total of the two measurements is the combined length and girth.</p> <p>To determine the combined length and girth of an irregularly shaped package or article, assume the package or article to be enclosed in a six-sided carton having rectangular sides of no thickness joined together at right angles.</p> <p>To determine the combined length and girth of articles of regular shape but with open or hollow portions, such as tires, hoops, coils, or frames, measure by use of outer dimensions only, as if the open or hollow portions were filled in solidly.</p>
440	<p style="text-align: center;"><b><u>REFUSAL OF PACKAGES</u></b></p> <p>UPS reserves the right to refuse to provide service, among other reasons, for any package which by reason of the dangerous or other character of its contents may, in the sole judgment of UPS, soil, taint, or otherwise damage other packages or UPS's equipment, or which is improperly or insecurely packed or wrapped. Packages must be so packed or wrapped as to meet UPS's published standards related thereto set forth in this Tariff or elsewhere, and as to pass the tests set forth in the International Safe Transit Association, Procedure 1A, Procedure for Testing Packaged Products, published by the International Safe Transit Association, with the additional requirement that, for all packages weighing over 60 lbs., the drop height shall be 12 inches and the drop sequence shall be the same as in Procedure 1A. In addition, any tested product must be free from damage and the packaging must afford reasonable protection as determined by UPS, in its sole judgment.</p> <p>In addition, UPS reserves the right to refuse to provide service for any package, or to or from any location, for among other reasons, when UPS, in its sole discretion, deems that it is unsafe or economically or operationally impracticable to do so.</p> <p>Common fireworks will not be accepted by UPS for transportation.</p>
442	<p style="text-align: center;"><b><u>RIGHT OF INSPECTION</u></b></p> <p>UPS reserves the right to open and inspect any package tendered to it.</p>

ITEM	RULES AND OTHER PROVISIONS WHICH GOVERN THE TRANSPORTATION OF PROPERTY
445	<p style="text-align: center;"><b><u>DEFINITION OF "PACKAGE"</u></b></p> <p>The term "package," as used herein, includes Letters and means any container and its contents, and includes any article which may be handled loose if the handling thereof can be accomplished in a reasonably safe and practicable manner.</p>
446	<p style="text-align: center;"><b><u>UPS AUTOMATED SHIPPING SYSTEM AND SOURCE DOCUMENT</u></b></p> <p>The term "UPS automated shipping system" as used herein, means a UPS Online® system or a UPS Online Compatible shipping system that meets UPS Online requirements at the time of shipment. The term "source document" as used herein, means a document provided by UPS for the purpose of shipping a package via UPS. "UPS automated shipping system" and "source document", individually or collectively, are sometimes referred to herein by the term "UPS shipping system".</p>
448	<p style="text-align: center;"><b><u>DEFINITION OF "DELIVERY"</u></b></p> <p>Delivery for all purposes shall be deemed to include, but not be limited to: delivery to the consignee or the consignee's actual or apparent agent or representative, delivery in accordance with trade custom or usage, delivery pursuant to UPS's driver release procedures, or delivery otherwise permitted under this Tariff.</p>
450	<p style="text-align: center;"><b><u>PAYMENT OF CHARGES BY SHIPPER</u></b></p> <p>All charges are the responsibility of and must be paid by the shipper.</p>
455	<p style="text-align: center;"><b><u>USE OF UPS ELECTRONIC INFORMATION SYSTEMS</u></b></p> <p>"UPS Systems" means for all purposes herein those UPS electronic information systems to which shippers are granted access by UPS and which are accessed by means of hardware, software, or Internet interfaces.</p> <p>A shipper may use the UPS Systems solely for UPS-related business conducted by or on behalf of shipper. Any other use of the UPS Systems is strictly prohibited. A shipper may use or disclose information provided via the UPS Systems only in connection with packages shipped by or to shipper or on shipper's behalf.</p> <p>A shipper may not use the UPS Systems in any way that adversely affects the performance or function of the UPS Systems or interferes with access by other parties to the UPS Systems. Shipper shall not gain access, or attempt to gain access, by any means to any UPS computer system or database, other than the UPS Systems to which shipper is expressly granted access by UPS.</p> <p>A shipper shall preserve and reproduce all content of the information provided by the UPS Systems and maintain all data formats, structure, sequence and organization of the information delivered by the UPS Systems, without amendment, deletion or modification of any type. UPS reserves the right to terminate, update, alter or supplement any or all of the UPS Systems and services and information available from the UPS Systems at any time. UPS reserves the right to assess charges for the use of any UPS System, by providing notice of such charges to the shipper. By permitting limited usage of the UPS Systems, UPS does not convey any property interest in or to the UPS Systems or any other UPS property or services.</p> <p>UPS reserves the right to terminate a shipper's access to and use of the UPS Systems for any reason, including if UPS in its sole judgment believes that ( 1 ) the system is being used for an illegal purpose or a purpose not authorized by UPS, or ( 2 ) UPS or a third party's rights are being jeopardized, or ( 3 ) UPS or any third party is potentially exposed to liability or damage of any type, or ( 4 ) the shipper is violating this Tariff or any other applicable agreement between UPS and the shipper.</p>

ITEM	RULES AND OTHER PROVISIONS WHICH GOVERN THE TRANSPORTATION OF PROPERTY
460	<p style="text-align: center;"><u>DEFINITION OF ARTICLES OF UNUSUAL VALUE, WHICH ARE NOT ACCEPTED BY UPS FOR TRANSPORTATION</u></p> <p>Shippers are prohibited from shipping articles of unusual value via UPS. Articles of unusual value shall be deemed to include, but are not limited to:</p> <ol style="list-style-type: none"> <li>(1) Coins (except pennies and nickels, and except proof and mint sets of United States coins tendered by United States mints of a face value not to exceed \$2.41), currency, postage stamps, negotiable instruments, money orders, unset precious stones, industrial diamonds, human remains, and works of art.</li> <li>(2) Any article which contains more than fifty percent by weight of gold, silver, or platinum or any combination thereof in raw form, bullion, balls, bars, grains, strip, sheet, wire, chain, ingots and the scrap of these metals.</li> <li>(3) Any package having a value of more than \$50,000.</li> </ol> <p>UPS will not be liable for any loss of, or damage to, articles of unusual value.</p>
462	<p style="text-align: center;"><u>ALCOHOLIC BEVERAGES</u></p> <p>UPS transports packages containing alcoholic beverages only among and within a limited number of states, as determined by UPS, and subject to applicable state law therein. The shipper must affix a UPS label, requesting an adult signature upon delivery, to each package containing alcoholic beverages. Adult means a person 21 years of age or older. Packages containing alcoholic beverages are also subject to certain other conditions. Contact UPS, or access the UPS Terms and Conditions of Service at <a href="http://www.ups.com">www.ups.com</a>, for specific information and restrictions upon service, including a list of states where UPS currently provides transportation of alcoholic beverages.</p>
465	<p style="text-align: center;"><u>CORRECTION OF WRONG ADDRESSES</u></p> <p>If UPS is unable to deliver any package as addressed by the shipper, or if the package has an incorrect or incomplete address (examples include, but are not limited to, P.O. Boxes, missing suite or apartment numbers, old addresses, and missing/incorrect ZIP Codes), UPS will make reasonable efforts, to be determined in its sole discretion, to secure the correct or complete address.</p> <p>If the correct or complete address is secured, UPS, at its sole discretion, will attempt delivery, and the shipper will be provided with the correct or complete address in order to update its internal records. An additional charge will be assessed for an address correction.</p>
470	<p style="text-align: center;"><u>REFUSED PACKAGES RETURNED</u></p> <p>Domestic packages refused by consignees, or which for any other reason cannot be delivered, will be promptly returned to the shipper without additional charge.</p> <p>In the event that a package is refused by the consignee or for any other reason cannot be delivered, and return of the package is refused by the shipper, or the package cannot otherwise be returned to the shipper, UPS will retain the package for a reasonable period of time, to be determined in its sole discretion, but that shall not exceed thirty days, and UPS reserves the right to dispose of the package thereafter.</p>
472	<p style="text-align: center;"><u>DROP SHIPMENT</u></p> <p>UPS reserves the right to refuse any drop shipment request, in its sole discretion, including but not limited to any drop shipment that is operationally or economically impracticable to transport. A request for drop shipment service is not reasonable unless the shipper makes a prior arrangement with UPS, agreed to in advance by UPS, as to timing, location and volume of the drop shipment.</p> <p>When a shipper, through prior arrangements with UPS, tenders packages at UPS's receiving stations with a return address requiring a movement greater than a Zone 2 movement from the point of tender, any undelivered packages will be returned automatically and will be charged at the rate applicable between the point of tender and the return address. The effective UPS Rates for the applicable shipment will apply.</p>

ITEM	RULES AND OTHER PROVISIONS WHICH GOVERN THE TRANSPORTATION OF PROPERTY
475	<p><b><u>DELIVERIES ATTEMPTED THREE TIMES WITHOUT EXTRA CHARGE</u></b></p> <p>If UPS is unable to deliver a package, a notice will be left at the consignee's address stating that delivery has been attempted. Thereafter a second and, if necessary, a third attempt to deliver the package will be made without additional charge.</p>
476	<p><b><u>SHIP NOTIFICATION</u></b></p> <p>Shippers using the UPS OnLine® electronic shipping and tracking information system may, for an additional charge, obtain the Ship Notification service, which electronically informs a shipper's customer when a shipment is scheduled for delivery. The UPS Ship Notification service will be provided by UPS subject to the terms and conditions of the applicable UPS Service Guides and the effective UPS Terms and Conditions of Service. An additional charge will be assessed for Ship Notification.</p>
478	<p><b><u>PACKAGE TRACKING/TRACING AND REFUND REQUEST CHARGE</u></b></p> <p>A shipper may, at UPS's sole discretion, be assessed an additional charge by UPS for each Package Tracking/Tracing Request initiated by or at the request of the shipper.</p> <p>This charge will not be assessed for the first 50 package tracking requests per calendar week, or for a quantity of package tracking requests equal to or less than twenty percent (20%) of the shipper's package volume for that week, whichever is greater.</p> <p>This charge will not be assessed for a quantity of package tracing requests equal to or less than two percent (2%) of the shipper's package volume for that week.</p> <p>UPS also reserves the right to assess the shipper a charge in the effective UPS Rates for guaranteed service refund requests when the subject shipment was delivered in accordance with the applicable UPS Service Guarantee in the effective UPS Terms and Conditions of Service.</p>
480	<p><b><u>C.O.D. PACKAGES</u></b></p> <p>C.O.D. means, for all purposes, Collect On Delivery.</p> <p><b>Preparation and Listing of C.O.D. Packages:</b> C.O.D.s are accepted for amounts up to \$50,000 per package. Shippers not using a UPS automated shipping system must prepare and attach to each C.O.D. package a UPS C.O.D. tag showing the amount to be collected and enter such amount in the space provided for that purpose. Shippers using a UPS automated shipping system will generate, and apply to each C.O.D. package, a system-generated address label with a C.O.D. bar code and the amount to be collected for each individual package. Each C.O.D. package in a Hundredweight shipment must carry a C.O.D. tag or system-generated label for the goods contained in that package. The entry of a C.O.D. amount is not a declaration of value for insurance purposes, nor does the payment of the C.O.D. charge constitute payment of the premium for excess value insurance.</p> <p><b>Responsibility for C.O.D.s:</b> Upon delivery of each C.O.D. package, UPS will attempt to collect the amount shown on the C.O.D. tag or the system-generated label attached to the package and promptly transmit to the shipper the amount so collected, or, if collection cannot be made, will return the package to the shipper. The shipper must notify UPS within 45 days from date of shipment of a C.O.D. shipment if the shipper has not received payment of the C.O.D. amount, or any claim relating thereto shall be deemed waived. Suits shall be instituted within two years after denial of any portion of the claim.</p> <p>If collection cannot be made within three delivery attempts, or the consignee refuses delivery, UPS will return the package to the shipper.</p> <p><b>Consignee's Checks in Payment of C.O.D.s:</b> Unless instructions to collect cashier's check or money order only are shown on the C.O.D. tag (in conformity with the instructions on the tag) or system-generated label, UPS will accept a check or other negotiable instrument issued by or on behalf of the consignee. When instructions to collect cashier's check or money order only are clearly indicated on the C.O.D. tag or system-generated label, UPS reserves the right to accept cashier's check, money order, official bank check or other similar instrument issued by or on behalf of the consignee. All checks or other negotiable instruments</p>

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480 CONT	<p>(including cashier's checks, official bank checks, money orders, and other similar instruments) tendered in payment of C.O.D.s will be accepted by UPS based solely upon the shipper assuming all risk relating thereto including, but not limited to, risk of nonpayment, insufficient funds, and forgery, and UPS shall not be liable upon any such instrument. All checks or other negotiable instruments (including cashier's checks, official bank checks, money orders, and other similar instruments) will be transmitted to the shipper together with UPS's own check if consignee check(s) collected are for less than the C.O.D. amount.</p> <p><b>Currency in Payment of C.O.D.s:</b> UPS will not accept currency in any amount for payment of C.O.D. shipments.</p> <p><b>Payment of \$10,000 or more:</b> Payment for any C.O.D. package of \$10,000 or more must be received in a single check or other negotiable instrument such as a cashier's check, money order, official bank check, or other similar instrument.</p> <p><b>C.O.D. packages with an amount to be collected in excess of \$500:</b> will not be accepted for transportation via a UPS Letter Center.</p> <p><b>C.O.D. service is not provided for international shipments.</b></p> <p>As with all packages, UPS shall not be liable for any special, incidental, or consequential damages in connection with C.O.D. packages.</p>
485	<p style="text-align: center;"><u>REMITTANCE OF C.O.D.s</u></p> <p>UPS shall remit C.O.D. collections to the shipper promptly after the date of collection. UPS reserves the right to set off C.O.D. collections against any charges owed to UPS by the shipper.</p>
490	<p style="text-align: center;"><u>CHARGES FOR C.O.D. COLLECTIONS</u></p> <p>An additional charge will be assessed for each C.O.D. package tendered to UPS.</p>
496	<p style="text-align: center;"><u>UPS RETURN SERVICES</u></p> <p>UPS offers a variety of services for the return of UPS compatible packages, as provided in the applicable UPS Service Guides and effective UPS Terms and Conditions of Service. These services include: Print Return Label, Print and Mail Return Label, 1 UPS Pickup Attempt, 3 UPS Pickup Attempts, and Call Tag. The value limit for each package returned via UPS Print Return Label, UPS Print and Mail Return Label, or 1 UPS Pickup Attempt Return Services is \$1,000. The value limit for each package returned via 3 UPS Pickup Attempts or Call Tag Return Services is \$50,000.</p> <p>Packages containing certain items are prohibited from being shipped, and are not accepted by UPS, when tendered for transportation via UPS Return Services, including but not limited to: Hazardous Materials and packages requiring a UPS label requesting an adult signature upon delivery.</p> <p>C.O.D. (Collect On Delivery) service and Collect or Third-Party billing are not provided for UPS Return Services.</p>
500	<p style="text-align: center;"><u>INTERRUPTION OF SERVICE</u></p> <p>UPS shall not be liable for any interruption of service due to causes beyond UPS's control including, but not limited to, the following: the unavailability or refusal of a person to accept delivery of the shipment; acts of God; acts of public authorities acting with actual or apparent authority; acts or omissions of customs or similar authorities; riots; strikes or other labor disputes; civil commotions; disruptions in air or ground transportation networks, such as weather phenomena; and natural disasters.</p>
510	<p style="text-align: center;"><u>FILING OF CLAIMS</u></p> <p>All claims for loss or damage to property transported or accepted for transportation must be in writing and must include reference to the source document or pickup record number and date or copies of other documents sufficient to identify the shipment involved; must assert the liability of UPS, and/or any applicable insurance company, for alleged loss or damage; must make claim for payment of a specified or determinable amount of money; and must be accompanied by a copy of the original invoice or, if no invoice was issued,</p>

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510 CONT	<p>other proof, certified to in writing, as to the actual cost or replacement cost of the property, or extent of the damage.</p> <p>No claims will be voluntarily paid unless filed in writing by or on behalf of the shipper in accordance with these provisions. Where the shipper purchased excess value insurance by inserting an amount greater than \$100.00 in the insured value field of the UPS automated shipping system or source document used by the shipper, and where the shipper has paid the charge for such insurance, the insured value claim will be adjusted on behalf of the insurance company.</p>
515	<p style="text-align: center;"><u>ACKNOWLEDGMENT OF CLAIMS</u></p> <p>UPS, or its designee, upon receipt in writing of a proper claim in the manner and form described above accompanied by the documents described, will acknowledge the receipt of such claim in writing to the claimant within 30 days after the date of receipt, unless payment of such claim has been made or denied in writing within 30 days after the date of receipt of the claim. UPS will at the time each claim is received create a separate file and assign thereto a successive claim file number and note that number on all documents filed in support of the claim and all records and correspondence with respect to the claim including the written acknowledgment of receipt and, if in its possession, the source document and delivery receipts, if any, covering the shipment involved. At the time such claim is received, UPS will cause the date of receipt to be recorded on the face of the claim document, and the date of receipt will also appear on the written acknowledgment of receipt sent to the claimant.</p>
520	<p style="text-align: center;"><u>TIME LIMIT FOR FILING CLAIMS</u></p> <p>As a condition precedent to recovery, all claims, with the exception of overcharge claims, must be filed in writing with UPS within nine months after delivery of the property or, in case of failure to make delivery, then within nine months after a reasonable time for delivery has elapsed; and suits shall be instituted within two years after denial of any portion of the claim. Where claims are not filed or suits are not instituted thereon in accordance with the foregoing provisions, such claims shall be deemed waived and will not be paid.</p> <p>A request for proof of delivery does not constitute the filing of a claim. Claimants may not deduct the amounts of pending claims from any charges owed to UPS.</p>
525	<p style="text-align: center;"><u>INVESTIGATION OF CLAIMS</u></p> <ol style="list-style-type: none"> <li>(1) <b>Prompt Investigation.</b> Each claim filed in the manner prescribed herein will be promptly and thoroughly investigated, if investigation has not already been made prior to receipt of the claim.</li> <li>(2) <b>Supporting Documents.</b> A necessary part of an investigation requires that each claim be supported by the original bill of lading, receipt, or source document, evidence of payment of the shipping and any excess value insurance charges, and either the original invoice, a photographic copy of the original invoice or an exact copy thereof, or an extract made therefrom, certified by the claimant to be true and correct with respect to the property and cost thereof involved in the claim; or certification of prices or costs, with trade or other discounts, allowance, or deductions of any nature whatsoever and the terms thereof, or depreciation reflected thereon; provided, however, that where the property involved in a claim has not been invoiced to the consignee shown on the bill of lading or receipt or where an invoice does not show price or cost, or where the property involved has not been sold, or where the property has been transferred at bookkeeping values only, UPS will, before paying a claim thereon, require the claimant to establish the value in the quantity shipped, transported, or involved and to certify the correctness thereof in writing.</li> <li>(3) <b>Original Packaging Materials.</b> In the event that a claim is made for damage to a package, the original packaging materials must be made available to UPS or its designee for inspection.</li> <li>(4) <b>Verification of Loss.</b> When an asserted claim for loss of an entire package or an entire shipment cannot be otherwise authenticated upon investigation, UPS will obtain from the consignee of the shipment involved a certified statement in writing that the property for which the claim is filed has not been received from UPS or from any other source.</li> </ol>

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530	<p style="text-align: center;"><u>DISPOSITION OF CLAIMS</u></p> <p>UPS or its designee, after receiving a written claim for property transported, will pay, decline, or make a firm compromise settlement offer in writing to the claimant within 120 days after UPS receives the claim; provided, however, that if the claim cannot be processed and disposed of within 120 days after receipt, UPS or its designee will at that time and at the expiration of each succeeding 60-day period while the claim remains pending, advise the claimant in writing of the status of the claim and the reason for the delay in making final disposition thereof and shall retain a copy of such advice to the claimant in its claim file thereon.</p>
535	<p style="text-align: center;"><u>LIMITATIONS OF LIABILITY FOR DAMAGED AND LOST PROPERTY</u></p> <p>Whenever property is damaged or lost by UPS in the course of transportation, UPS will pay, at its option, either for the damaged or lost goods not to exceed \$100 or the actual cost or replacement cost of the property, whichever is lowest, or for the cost of repair of damaged property provided such cost of repair does not exceed the lowest of \$100 or the actual cost or replacement cost of the property.</p> <p>UPS will not be liable or responsible for the loss of or damage to any package, the contents of which shippers are prohibited from shipping, which UPS is not authorized to accept, which UPS states that it will not accept, or which UPS has a right to refuse. UPS will not voluntarily pay a claim for loss or damage to property unless all applicable transportation charges have been paid. UPS shall not be liable for, and reserves the right in its sole discretion to deny claims pertaining to, a package for which there are no UPS records reflecting that the package was tendered to UPS by the shipper.</p> <p>UPS will not be liable or responsible for the loss of or damage to (1) articles of unusual value (as defined in Item 460), (2) any package resulting from insects, moths, vermin, inherent vice (including, but not limited to, improper, inadequate, or unsafe packaging or wrapping that fails to meet UPS's published standards related thereto set forth in this Tariff or elsewhere), deterioration, dampness of atmosphere, extreme of temperature, ordinary wear and tear, or that which occurred or arose prior to or after the course of transportation by UPS, (3) perishable commodities or commodities requiring protection from heat or cold, to the extent the loss or damage results from exposure to heat or cold or the perishable nature of the items, (4) packages lost or damaged due to war risks, (5) packages lost or damaged due to nuclear damage, (6) packages with a value in excess of \$5000 when the package is shipped as a result of a request for service made through the Internet by a shipper who has a UPS Internet shipping account only, (7) packages having a value of more than \$500 if shipped via a UPS Letter Center, (8) Prepaid Letters having a value of more than \$100, (9) international jewelry (not including costume jewelry) shipments with a value in excess of \$500, or (10) packages having a value of more than \$1,000 returned via UPS Print Return Label, UPS Print and Mail Return Label, or 1 UPS Pickup Attempt Return Services.</p> <p>When UPS pays the actual value of the property, title to the property shall thereupon pass to UPS; otherwise, the damaged property shall be returned to the shipper. UPS shall not be liable for any special, incidental, or consequential damages.</p>
540	<p style="text-align: center;"><u>METHOD OF DETERMINING TRANSPORTATION RATES AND INSURANCE CHARGES</u></p> <p>To determine rates pursuant to this Tariff:</p> <ol style="list-style-type: none"> <li>(1) Refer to the UPS Zone Chart applicable to the shipment in effect at the time of shipping to determine the appropriate zone for use in determining the poundage rate.</li> <li>(2) Refer to the effective UPS Rates and excess value insurance charges applicable to the shipment in effect at the time of shipping, which are available upon request at the local UPS office.</li> <li>(3) Refer to the effective UPS Rates, for additional charges and rates charged by reason of nonstandard service and/or additional or nonstandard usage.</li> <li>(4) Refer to any applicable customized contract.</li> </ol> <p>Released value of package:</p> <p>The effective UPS Rates and any excess value insurance charges are applicable only when the value of the property inserted in the insured value field of the UPS shipping system used by the shipper, or agreed upon in writing, as the released value thereof is as follows:</p> <ol style="list-style-type: none"> <li>a. For a value not exceeding \$100 per package: Apply the effective UPS Rates, which are available at local UPS offices upon request;</li> </ol>

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540 CONT	<p>b. For an insured value exceeding \$100 per package:</p> <p>Apply the effective UPS Rates, plus the insurance company's excess value insurance charge, the amount of which is available at local UPS offices upon request, for each \$100 or fraction thereof of insured value in excess of the initial \$100.</p>
560	<p style="text-align: center;"><u>OPTIONS FOR PAYMENT OF TRANSPORTATION CHARGES</u></p> <p>UPS may extend credit to those shippers who, in the sole judgment of UPS, are good credit risks. Where credit is extended, the following provisions for payment of transportation and other charges will apply.</p> <p>UPS may render a bill to the shipper on a weekly or a monthly basis. A weekly bill will include the transportation and other charges incurred in the previous week for those shippers who have requested the automatic daily pickup call for which a weekly service charge applies. A monthly bill will include the transportation and other charges incurred for that month for which the bill is assessed for those shippers who have requested the automatic daily pickup call for which a weekly service charge applies. Except as may be provided differently below, UPS's credit terms require payment of all charges within seven (7) days after receipt of the UPS bill.</p> <p>If a negotiable instrument submitted to UPS as payment for service is returned to UPS unpaid, UPS may charge the shipper a returned check fee in an amount of up to Twenty Dollars (\$20.00) or the maximum permitted by law, whichever is less, per instrument, in addition to any collection cost which may be incurred by UPS in the final collection of funds owed to UPS.</p> <p>UPS may offer, solely at UPS's discretion, the following choices of payment options for payment of transportation and other charges:</p> <p class="list-item-l1">(1) Electronic Funds Transfer Plan (Debit EFT)</p> <p>Shipper will provide UPS with shipper's bank account number and bank account routing number to enable UPS to electronically request payment, for the transportation and other charges incurred by the shipper, directly from the shipper's bank. The shipper's bank will then remit the amount requested to UPS and deduct that amount from the shipper's bank account. Each payment to UPS will be shown on the shipper's monthly bank statement. Additionally, the shipper will receive a weekly or monthly bill, as applicable, detailing the services provided for the applicable billing period. Past due balances on any bill assessed on a monthly basis will be subject to a late payment fee in addition to any collection cost which may be incurred by UPS in the final collection of funds owed to UPS by shipper.</p> <p class="list-item-l1">(2) Consolidated Payment Plan</p> <p>Under the terms of the Consolidated Payment Plan, a shipper will make a prepayment with UPS in an amount equal to four weeks' anticipated transportation and other charges as estimated by UPS. This prepayment shall remain on account with UPS. No interest shall be paid or accrued on the prepayment amount. The prepayment amount, as applied to either the weekly or monthly receipt of billing, may be changed by UPS to reflect a revised estimate of four weeks' billing.</p> <p>If the shipper receives a bill on a monthly basis, the transportation and other charges incurred for the applicable month will be totaled and billed to the shipper. Payment is due upon receipt of the bill. The initial prepayment amount will remain on account with UPS. Past due balances on bills assessed on a monthly basis will be subject to a late fee in addition to any collection cost which may be incurred by UPS in the final collection of funds owed to UPS by shipper.</p> <p>If the shipper receives a bill on a weekly basis, that bill will detail the previous weeks' transportation and other charges incurred. Payment for all accumulated charges will be due upon receipt of the fourth bill; however, if prior to receiving the fourth bill the shipper's transportation and other charges should equal or exceed the amount of the prepayment, then the accumulated charges will be due at that time. The initial prepayment amount will remain on account with UPS.</p> <p class="list-item-l1">(3) Special Payment Plan</p> <p>By written agreement with UPS, the shipper may elect to prepay an amount equal to the billing for a period of between ten to twenty-six weeks, as estimated by UPS. The amount of transportation and other charges actually incurred will then be deducted by UPS on a weekly basis from the sum prepaid</p>

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560 CONT .	<p>by the shipper. Weekly bills marked as paid will then be forwarded to the shipper together with a statement reflecting the balance of the shipper's account. When the sum prepaid by the shipper reaches the minimum balance specified in the written agreement, the shipper may, at the shipper's option, elect to make another prepayment for an additional period pursuant to the same agreement. No interest shall be paid or accrued on the prepayment amount.</p> <p>(4). Credit Extension Plan</p> <p>By written agreement with UPS, the shipper may elect to pay an annual credit extension fee and thereafter receive bills on a monthly basis with no prepayment requirement. The bill will be payable upon receipt. The credit extension fee is based upon total annual delivery charges and is subject to change annually. Past due balances will be subject to a late fee in addition to any collection cost which may be incurred by UPS in the final collection of funds owed to UPS by shipper.</p> <p>(5). Weekly Payment Plan</p> <p>A shipper may elect to pay on a weekly basis. Each week the shipper will receive a bill for the previous week's transportation and other charges. The bill must be paid within seven days of receipt. No prepayment is required under this plan.</p> <p>Past due balances on any bill assessed on a monthly basis will be subject to a late payment fee in addition to any collection cost which may be incurred by UPS in the final collection of funds owed to UPS by shipper. Balances which are not received according to the terms indicated on the UPS Delivery Service Bill will be deemed late.</p> <p>(6). UPS Prepaid Plan</p> <p>Shipper may elect to prepay for expedited delivery service by purchasing in advance the shipping labels to be used on packages shipped at a later date.</p> <p>Shippers who do not desire to utilize any of the payment plans described above, including those to whom UPS does not desire to extend credit, shall pay UPS's charges for service at time of pickup.</p>
565	<p style="text-align: center;"><u>SUBSTITUTION OF AIR SERVICE</u></p> <p>UPS may, at its option, substitute air service between the points served for its services via highways for which such motor carrier has lawful operating rights as a carrier via motor vehicle.</p> <p>When substituted service is performed under the provisions of this Tariff, the effective UPS Rates referenced herein will apply to such substituted service.</p>
570	<p style="text-align: center;"><u>ONE-TIME PICKUP SERVICE</u></p> <p>When One-Time Pickup Service is requested and furnished, the applicable rate charged, based upon the level of service provided, will be assessed in accordance with the effective UPS Rates for Daily Pickup Service. An additional charge for One-Time Pickup, or such other applicable rates for nonstandard or customized service as from time to time may be charged by UPS, will also be assessed.</p>
572	<p style="text-align: center;"><u>ON-CALL PICKUP SERVICE</u></p> <p>When On-Call Pickup Service is requested by the shipper, UPS will arrange (where reasonably practicable) a shipment pickup at the shipper's location. The effective UPS Rates for the applicable shipment will be charged in accordance with the effective UPS Rates for Daily Pickup Service. An additional charge for On-Call Pickup Service will also be assessed.</p>

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575	<p style="text-align: center;"><u>DAILY PICKUP SERVICE</u></p> <p>When Daily Pickup Service is requested and furnished, an additional weekly service charge will be assessed and shall apply in addition to the applicable effective UPS Rates for the shipment. (Packages tendered at UPS's Customer Counters, or through One-Time Pickup, or On-Call Pickup Service, will not be subject to such additional weekly service charge). UPS will call at the shipper's premises once each business day to pick up packages for delivery at all points served without special pickup request and whether or not any packages are available for delivery.</p> <p>If a service charge is required to be paid and is paid by the shipper pursuant to provisions of any other tariff or description of Rates, Classifications, Rules and Practices published by UPS, for pickup service at the same location, no separate or additional service charge shall be required to be paid hereunder.</p>
580	<p style="text-align: center;"><u>HAZARDOUS MATERIALS SERVICE</u></p> <p>Hazardous Materials, defined as those materials regulated under Title 49 of the Code of Federal Regulations (49 C.F.R.), excluding ORM-D ground shipments, are accepted for transportation only via Daily Pickup Service, and only as a contract service under the provisions set forth in the UPS standard form Agreement for Transportation of Hazardous Materials (Agreement). To receive Hazardous Materials Service, a shipper must either sign an Agreement or incorporate the provisions of the Agreement into the shipper's existing customized contract for shipping service with UPS.</p> <p>UPS transports Hazardous Materials only within and among the 50 United States and Puerto Rico.</p> <p>An additional charge will be assessed for each hazardous materials package shipped under the Agreement. The effective UPS Rates applicable to the shipment will apply.</p> <p>In addition to meeting all of the requirements for proper packaging, marking and labeling as set forth in 49 C.F.R., the shipper is required to follow the terms set forth in the Agreement.</p> <p>UPS reserves the right to charge, and the shipper agrees to pay, for all costs resulting from improperly packed hazardous materials, or the cost of disposal if the shipper refuses to accept a returned item.</p> <p>UPS reserves the right to discontinue service to any shipper for, among other reasons, tendering an undeclared Hazardous Materials shipment (including ORM-D shipments that are tendered without the proper shipping documentation) to UPS.</p>
600	<p style="text-align: center;"><u>DELIVERY CONFIRMATION SERVICE</u></p> <p>At the time a shipper tenders a domestic package to UPS, the shipper may request Delivery Confirmation Service by indicating Delivery Confirmation on a UPS source document (excluding Air Shipping Documents) or in a UPS automated shipping system. Each Delivery Confirmation response will include the date of delivery and either the name of the recipient or the disposition of the package; however, in the event of a return, the response will indicate the reason for the return and the date processed. An additional charge will be assessed for each such response. All responses will be consolidated and provided to the shipper in printed or electronic format.</p> <p>A shipper may request UPS to obtain the recipient's signature and to include it on the Delivery Confirmation response at an additional charge.</p> <p>A shipper may request UPS to obtain the signature of an adult 21 years of age or older and to include it in the Delivery Confirmation response. An additional charge will be assessed for each such response. UPS, in its sole discretion, will determine if delivery can be completed when such a request is made, and may request photo identification indicating the recipient's age before completing delivery. The shipper must use a UPS automated shipping system to initiate a request for this service.</p> <p>A shipper may elect to direct the response to an address other than the return address specified on the shipping label. In such a case, the response will be mailed individually and an additional charge will be assessed.</p>

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601	<p style="text-align: center;"><u>PROOF OF DELIVERY (P.O.D.)</u></p> <p>Upon request, UPS will provide proof of delivery via facsimile or mail transmission. The request must include a facsimile number, including area code, for an operating facsimile machine or a correct address for mail. An additional charge will be assessed for each successfully transmitted or mailed P.O.D.</p>
605	<p style="text-align: center;"><u>ADDITIONAL HANDLING CHARGES</u></p> <p>An additional handling charge in the effective UPS Rates applicable to the shipment will be assessed for each article that is not fully encased in an outside shipping container; any article that is encased in an outside shipping container made of metal or wood; cans or pails that are not fully encased in a shipping container made of corrugated cardboard; and any package that exceeds 60 inches in length.</p>
1000	<p style="text-align: center;"><u>DELIVERY SERVICE FOR SHIPPERS RECEIVING DAILY PICKUP SERVICE</u></p> <p>Shippers who elect Daily Pickup Service, pursuant to the terms of Item 575 published herein, may ship general commodities except articles of unusual value (as defined in Item 460), Classes A and B explosives, household goods as defined in 49 U.S.C. § 13102(10), commodities in bulk, commodities requiring special equipment, and those commodities injurious or contaminating to other lading. The rate for delivery of packages between points and places in the United States to a commercial location (consignee's place of business or employment, not including a business operated out of a home) or to a residential location (a location that is a home, including a business operating out of a home) shall be the effective UPS Rates applicable to the shipment involved for shippers receiving Daily Pickup Service.</p> <p>If the delivery location could be construed as either residential or commercial, then the rates for residential delivery service will be applied.</p> <p>For rates applicable to Daily Pickup Service, see Item 575.</p> <p>Note 1 – UPS will profile the shipper's traffic at a single location and/or at multiple locations when required and, based on that profile, will assign the shipper's traffic to a customer group for the receipt of applicable package information, problem resolution, solution support, and communication services.</p> <p>Note 2 – UPS does not accept for transportation, and shippers are prohibited from shipping: articles of unusual value (as defined in Item 460); packages with a value of more than \$5000 when the package is shipped as a result of a request for service made through the Internet by a shipper who has a UPS Internet shipping account only; in the case of a shipper's request for service made via a UPS Letter Center, packages with a value of more than \$500; Prepaid Letters having a value of more than \$100; packages shipped internationally containing jewelry (not including costume jewelry) having a value of more than \$500; and packages having a value of more than \$1,000 returned via UPS Print Return Label, UPS Print and Mail Return Label, or 1 UPS Pickup Attempt Return Services.</p> <p>The maximum liability per package assumed by UPS shall not exceed \$100. If additional protection is desired, the shipper may purchase insurance from an independent insurer for amounts in excess of \$100 by showing the full value of the package in the insured value field of the UPS shipping system used by the shipper. The insurance company's premium charge for such excess value insurance is available at each local UPS office. An insurance premium will be assessed for each additional \$100 or fraction thereof of insured value specified in the UPS shipping system used in excess of \$100 up to the Limits of Insurance, and the shipper will be automatically covered as an additional insured under a shipper's interest insurance policy, provided the shipper pays the additional charge. Insurance is not provided for Prepaid Letters.</p> <p>The excess value insurance policy covers a shipper for loss or damage to property tendered in accordance with the terms and conditions of this Tariff and the applicable UPS Service Guides from all risks of physical loss or damage from any cause, excepting only the exclusions specified below, from the time of tender to UPS and continuously thereafter during the course of transportation by UPS between locations which UPS serves.</p> <p>The excess value insurance policy does not cover or excludes coverage for: articles of unusual value (as defined in Item 460); Prepaid Letters; perishable commodities or commodities requiring protection from heat or cold, to the extent the loss or damage results from exposure to heat or cold or the perishable nature of the items; loss or damage due to war risks, nuclear damage, insects, moths, vermin, inherent vice (including, but not limited to, improper, inadequate, or unsafe packaging or wrapping that fails to meet UPS's published standards related thereto set forth in this Tariff or elsewhere), deterioration, dampness of atmosphere,</p>

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1000 CONT	<p>extreme of temperature, ordinary wear and tear, or that which occurred or arose prior to or after the course of transportation by UPS; loss of or damage to any article which shippers are prohibited from shipping, which UPS is not authorized to accept, which UPS states that it will not accept, or which UPS has a right to refuse; and special, incidental, or consequential damages.</p> <p>The excess value insurance policy provides that the insurer's maximum liability is the lowest of: (1) the insured value indicated in the UPS shipping system used minus \$100; (2) the lesser of the actual cost or the replacement cost of the property insured at the time and place of loss or damage minus \$100; (3) the cost of repair of damaged property minus \$100; (4) \$50,000 per package minus \$100, except for (i) packages shipped via a UPS Letter Center, in which case the maximum liability is \$500 per package minus \$100, (ii) packages shipped as the result of a request for service made through the Internet by a shipper who has a UPS Internet shipping account only, in which case the maximum liability is \$5000 minus \$100, and (iii) packages returned via UPS Print Return Label, UPS Print and Mail Return Label, or 1 UPS Pickup Attempt Return Services, in which case the maximum liability is \$1,000 minus \$100; or (5) \$500 for international jewelry (not including costume jewelry) shipments minus \$100. For more information on the terms and conditions of this insurance, call Glenlake Insurance Agency, Inc., at 1-877-242-7930 to obtain an Excess Value Insurance brochure or a copy of the insurance policy currently in effect, or write to Glenlake Insurance Agency, Inc., 35 Glenlake Parkway, N.E., Atlanta, Georgia 30328. UPS's maximum liability per package shall not exceed \$100, regardless of the purchase of insurance for protection in excess of \$100.</p> <p>Note 3 - In the event a shipper selects the "Bill Receiver" or "Bill Third Party" option for a Next Day or 2nd Day shipment and omits the account number or supplies an invalid account number, then in addition to being liable for the transportation and other charges, an additional charge shall be assessed. An account number is deemed invalid if it is not the correct account number for the bill-to party, or if it is the account number for a receiver or third party who fails to pay the shipping charges.</p>
1010	<p style="text-align: center;"><u>UPS GROUND SERVICE GUARANTEE</u></p> <p>UPS guarantees on-schedule delivery of UPS Ground Service and UPS Hundredweight Service® Ground packages, where such services are available, to every commercial address in the 48 contiguous United States. The guarantee is provided according to the terms of the applicable UPS Service Guarantee in the effective UPS Terms and Conditions of Service.</p> <p>Note 1 - If the delivery location could be construed as either residential (a location that is a home, including a business operating out of a home) or commercial (consignee's place of business or employment, not including a business operated out of a home), then it will be deemed a residential destination.</p> <p>Note 2 – The guarantee does not apply to shipments which are delayed due to causes beyond UPS's control including, but not limited to, the following: the unavailability or refusal of a person to accept delivery of the shipment; acts of God; acts of public authorities acting with actual or apparent authority; acts or omissions of customs or similar authorities; riots; strikes or other labor disputes; civil commotions; disruptions in air or ground transportation networks, such as weather phenomena; and natural disasters.</p> <p>Note 3 – The guarantee does not apply to shipments that are picked up or scheduled to be delivered between December 12<sup>th</sup> and December 25<sup>th</sup>.</p> <p>Note 4 – The sole remedy provided under the UPS Ground Service Guarantee is the credit or refund of transportation charges, which will only be remitted to the payer.</p>

ITEM	RULES AND OTHER PROVISIONS WHICH GOVERN THE TRANSPORTATION OF PROPERTY
1020	<p style="text-align: center;"><b><u>UPS 3 DAY SELECT SERVICE</u></b></p> <p>UPS 3 Day Select Service is available for the shipment of general commodities, except articles of unusual value (as defined in Item 460), Classes A and B explosives, household goods as defined in 49 U.S.C. § 13102(10), commodities in bulk, commodities requiring special equipment, and those commodities injurious or contaminating to other lading, for shipments between points and places in the 48 contiguous United States. UPS 3 Day Select Service is available to the shipper by attaching a special label, approved by UPS, at the time the package is tendered to UPS, in accordance with the effective UPS Terms and Conditions of Service. UPS guarantees delivery of UPS 3 Day Select packages subject to the terms of the applicable UPS Service Guarantee in the effective UPS Terms and Conditions of Service. The effective UPS Rates applicable to the shipment will apply.</p> <p>The rate for delivery of UPS 3 Day Select Service packages to a residential location (a location that is a home, including a business operating out of a home) or to a commercial location (consignee's place of business or employment, not including a business operated out of a home) shall be the effective UPS Rates for shippers receiving Daily Pickup Service or the effective UPS Rates for UPS Customer Counter and One-Time Pickup Service shippers, as applicable.</p> <p>Note 1 – A service charge for pickup service may apply. For rates applicable to pickup service, see Items 570 and 575.</p> <p>Note 2 – Transportation charges for a package measuring over one cubic foot (1,728 cubic inches) will be based on the dimensional weight of the package when the dimensional weight exceeds the actual weight.</p> <p>Dimensional weight is determined as follows:</p> <p>Step 1 – Calculate cubic size: Multiply the package length by the width by the height (round each number to the nearest whole inch) (LxWxH). The result is the cubic size of the package.</p> <p>Step 2 – Determine dimensional weight: Divide the cubic size of the package by 194 to determine the dimensional weight (in pounds). Increase fractions of a pound to the next full pound.</p> <p><u>LxWxH</u> = Dimensional Weight 194</p> <p>Note 3 – Hazardous materials are accepted for transportation in UPS 3 Day Select Service only in passenger aircraft quantities prepared according to the requirements set forth in Title 49 of the Code of Federal Regulations and the <i>UPS Guide for Shipping Ground and Air Hazardous Materials</i>, and only for customers who have completed a UPS standard form Agreement for Transportation of Hazardous Materials or have the provisions of that Agreement incorporated into their existing customized contract for shipping service with UPS. Hazardous materials and all "Other Regulated Materials" (ORM) are prohibited from being shipped via UPS 3 Day Select Hundredweight Service.</p> <p>Note 4 – UPS does not accept for transportation, and shippers are prohibited from shipping: articles of unusual value (as defined in Item 460); packages with a value of more than \$5000 when the package is shipped as a result of a request for service made through the Internet by a shipper who has a UPS Internet shipping account only; in the case of a shipper's request for service made via a UPS Letter Center, packages with a value of more than \$500; Prepaid Letters having a value of more than \$100; packages shipped internationally containing jewelry (not including costume jewelry) having a value of more than \$500; and packages having a value of more than \$1,000 returned via UPS Print Return Label, UPS Print and Mail Return Label, or 1 UPS Pickup Attempt Return Services.</p> <p>The maximum liability per package assumed by UPS shall not exceed \$100. If additional protection is desired, the shipper may purchase insurance from an independent insurer for amounts in excess of \$100 by showing the full value of the package in the insured value field of the UPS shipping system used by the shipper. The insurance company's premium charge for such excess value insurance is available at each local UPS office. An insurance premium will be assessed for each additional \$100 or fraction thereof of insured value specified in the UPS shipping system used in excess of \$100 up to the Limits of Insurance, and the shipper will be automatically covered as an additional insured under a shipper's interest insurance policy, provided the shipper pays the additional charge. Insurance is not provided for Prepaid Letters.</p> <p>The excess value insurance policy covers a shipper for loss or damage to property tendered in accordance with the terms and conditions of this Tariff and the applicable UPS Service Guides from all risks of physical</p>

ITEM	RULES AND OTHER PROVISIONS WHICH GOVERN THE TRANSPORTATION OF PROPERTY
1020 CONT	<p>loss or damage from any cause, excepting only the exclusions specified below, from the time of tender to UPS and continuously thereafter during the course of transportation by UPS between locations which UPS serves.</p> <p>The excess value insurance policy does not cover or excludes coverage for: articles of unusual value (as defined in Item 460); Prepaid Letters; perishable commodities or commodities requiring protection from heat or cold, to the extent the loss or damage results from exposure to heat or cold or the perishable nature of the items; loss or damage due to war risks, nuclear damage, insects, moths, vermin, inherent vice (including, but not limited to, improper, inadequate, or unsafe packaging or wrapping that fails to meet UPS's published standards related thereto set forth in this Tariff or elsewhere), deterioration, dampness of atmosphere, extreme of temperature, ordinary wear and tear, or that which occurred or arose prior to or after the course of transportation by UPS; loss of or damage to any article which shippers are prohibited from shipping, which UPS is not authorized to accept, which UPS states that it will not accept, or which UPS has a right to refuse; and special, incidental, or consequential damages.</p> <p>The excess value insurance policy provides that the insurer's maximum liability is the lowest of: (1) the insured value indicated in the UPS shipping system used minus \$100; (2) the lesser of the actual cost or the replacement cost of the property insured at the time and place of loss or damage minus \$100; (3) the cost of repair of damaged property minus \$100; (4) \$50,000 per package minus \$100, except for (i) packages shipped via a UPS Letter Center, in which case the maximum liability is \$500 per package minus \$100, (ii) packages shipped as the result of a request for service made through the Internet by a shipper who has a UPS Internet shipping account only, in which case the maximum liability is \$5000 minus \$100, and (iii) packages returned via UPS Print Return Label, UPS Print and Mail Return Label, or 1 UPS Pickup Attempt Return Services, in which case the maximum liability is \$1,000 minus \$100; or (5) \$500 for international jewelry (not including costume jewelry) shipments minus \$100. For more information on the terms and conditions of this insurance, call Glenlake Insurance Agency, Inc., at 1-877-242-7930 to obtain an Excess Value Insurance brochure or a copy of the insurance policy currently in effect, or write to Glenlake Insurance Agency, Inc., 35 Glenlake Parkway, N.E., Atlanta, Georgia 30328. UPS's maximum liability per package shall not exceed \$100, regardless of the purchase of insurance for protection in excess of \$100.</p> <p>Note 5 – UPS Hundredweight Service is available for 3 Day Select Service provided the total shipment weight is 200 pounds or more. All other terms and conditions of UPS Hundredweight Service contained in the applicable UPS Service Guides and the effective UPS Rates will apply.</p>
1030	<p><u>RATES FOR OVERSIZE AND OVERWEIGHT PACKAGES</u></p> <p>Oversize 1: If a package exceeds 84 inches in length and girth combined and is less than or equal to 108 inches in length and girth combined and weighs less than 30 pounds, the package will be considered "Oversize 1" (OS1). Each OS1 package will be treated as a 30-pound package when calculating the billable weight.</p> <p>Oversize 2: If a package exceeds 108 inches in length and girth combined and weighs less than 70 pounds, the package will be considered "Oversize 2" (OS2). Each OS2 package will be treated as a 70-pound package when calculating the billable weight.</p> <p>Packages tendered weighing more than 150 pounds will be delivered at the option of UPS, and each shall take the 150 pound rate for the applicable zone plus a charge of \$50.00.</p> <p>Packages tendered exceeding 130 inches in length and girth combined or exceeding 108 inches in length will be delivered at the option of UPS and will be charged a rate equal to the rate for a package weighing 70 pounds for the applicable zone, or a rate equal to the rate for the actual weight of the package and applicable zone, whichever is greater, plus a charge of \$50.00.</p>

ITEM	RULES AND OTHER PROVISIONS WHICH GOVERN THE TRANSPORTATION OF PROPERTY
1060	<p style="text-align: center;"><b><u>EXPEDITED SERVICE</u></b></p> <p>Expedited Service may be selected by a shipper for general commodities, except articles of unusual value (as defined in Item 460), Classes A &amp; B explosives, household goods as defined in 49 U.S.C. § 13102(10), commodities in bulk, commodities requiring special equipment, and those commodities injurious or contaminating to other lading. This service is available between points and places in the United States. Expedited Service may be selected by tendering a package to UPS, upon which is attached a special label, provided by UPS, requesting expedited Next Day or 2nd Day delivery service.</p> <p>When such service is requested, the rates for delivery of UPS Next Day or UPS 2nd Day Letters, Paks or packages, with a value not exceeding \$100 per package, shall be the effective UPS Rates applicable to the shipment for shippers receiving Daily Pickup Service, or the effective UPS Rates applicable to the shipment for UPS Customer Counters, One-Time Pickup, and On-Call Pickup Service.</p> <p>Note 1 – Alternatively, the shipper may attach a special label, provided by UPS, to the package requesting UPS Next Day Saver delivery service. The UPS Next Day Saver delivery service will be provided by UPS subject to the terms and conditions published in the applicable UPS Service Guides. The effective UPS Rates applicable to the shipment will apply.</p> <p>Note 2 –The shipper may pay an additional charge and attach a special label, provided by UPS, to the package requesting UPS Next Day Early A.M. delivery service. The UPS Next Day Early A.M. delivery service will be provided by UPS, subject to the terms and conditions published in the applicable UPS Service Guides, and subject to an additional charge plus the base rate included in the effective UPS Rates applicable to the shipment. The shipper may request optional verbal confirmation of delivery service by indicating Verbal Confirmation of Delivery on the UPS Next Day Early A.M. source document or in the UPS automated shipping system. When this service is selected, UPS will call the shipper to confirm delivery on the day of delivery. The Verbal Confirmation of Delivery will be provided for an additional charge.</p> <p>Note 3- The shipper may also attach a special label, provided by UPS, to the package requesting UPS 2nd Day A.M. delivery service. The UPS 2<sup>nd</sup> Day A.M. delivery service will be provided by UPS, subject to the terms and conditions published in the applicable UPS Service Guides. The effective UPS Rates applicable to the shipment will apply.</p>
	<p>Note 4 –A service charge for pickup service may apply. For rates applicable to pickup service, see Items 570, 572, and 575.</p> <p>Note 5 - UPS does not accept for transportation, and shippers are prohibited from shipping: articles of unusual value (as defined in Item 460); packages with a value of more than \$5000 when the package is shipped as a result of a request for service made through the Internet by a shipper who has a UPS Internet shipping account only; in the case of a shipper's request for service made via a UPS Letter Center, packages with a value of more than \$500; Prepaid Letters having a value of more than \$100; packages shipped internationally containing jewelry (not including costume jewelry) having a value of more than \$500; and packages having a value of more than \$1,000 returned via UPS Print Return Label, UPS Print and Mail Return Label, or 1 UPS Pickup Attempt Return Services.</p> <p>The maximum liability per package assumed by UPS shall not exceed \$100. If additional protection is desired, the shipper may purchase insurance from an independent insurer for amounts in excess of \$100 by showing the full value of the package in the insured value field of the UPS shipping system used by the shipper. The insurance company's premium charge for such excess value insurance is available at each local UPS office. An insurance premium will be assessed for each additional \$100 or fraction thereof of insured value specified in the UPS shipping system used in excess of \$100 up to the Limits of Insurance, and the shipper will be automatically covered as an additional insured under a shipper's interest insurance policy, provided the shipper pays the additional charge. Insurance is not provided for Prepaid Letters.</p> <p>The excess value insurance policy covers a shipper for loss or damage to property tendered in accordance with the terms and conditions of this Tariff and the applicable UPS Service Guides from all risks of physical loss or damage from any cause, excepting only the exclusions specified below, from the time of tender to UPS and continuously thereafter during the course of transportation by UPS between locations which UPS serves.</p>

ITEM	RULES AND OTHER PROVISIONS WHICH GOVERN THE TRANSPORTATION OF PROPERTY
1060 CONT	<p>The excess value insurance policy does not cover or excludes coverage for: articles of unusual value (as defined in Item 460); Prepaid Letters; perishable commodities or commodities requiring protection from heat or cold, to the extent the loss or damage results from exposure to heat or cold or the perishable nature of the items; loss or damage due to war risks, nuclear damage, insects, moths, vermin, inherent vice (including, but not limited to, improper, inadequate, or unsafe packaging or wrapping that fails to meet UPS's published standards related thereto set forth in this Tariff or elsewhere), deterioration, dampness of atmosphere, extreme of temperature, ordinary wear and tear, or that which occurred or arose prior to or after the course of transportation by UPS; loss of or damage to any article which shippers are prohibited from shipping, which UPS is not authorized to accept, which UPS states that it will not accept, or which UPS has a right to refuse; and special, incidental, or consequential damages.</p> <p>The excess value insurance policy provides that the insurer's maximum liability is the lowest of: (1) the insured value indicated in the UPS shipping system used minus \$100; (2) the lesser of the actual cost or the replacement cost of the property insured at the time and place of loss or damage minus \$100; (3) the cost of repair of damaged property minus \$100; (4) \$50,000 per package minus \$100, except for (i) packages shipped via a UPS Letter Center, in which case the maximum liability is \$500 per package minus \$100, (ii) packages shipped as the result of a request for service made through the Internet by a shipper who has a UPS Internet shipping account only, in which case the maximum liability is \$5000 minus \$100, and (iii) packages returned via UPS Print Return Label, UPS Print and Mail Return Label, or 1 UPS Pickup Attempt Return Services, in which case the maximum liability is \$1,000 minus \$100; or (5) \$500 for international jewelry (not including costume jewelry) shipments minus \$100. For more information on the terms and conditions of this insurance, call Glenlake Insurance Agency, Inc., at 1-877-242-7930 to obtain an Excess Value Insurance brochure or a copy of the insurance policy currently in effect, or write to Glenlake Insurance Agency, Inc., 35 Glenlake Parkway, N.E., Atlanta, Georgia 30328. UPS's maximum liability per package shall not exceed \$100, regardless of the purchase of insurance for protection in excess of \$100.</p>
	<p>Note 6 – For UPS Next Day or UPS 2nd Day Expedited Service, an additional charge will be assessed on each UPS Next Day or UPS 2nd Day Letter, Pak or package picked up on Saturday for subsequent delivery. An additional charge will be assessed on regular Saturday Pickup accounts when a pickup stop is made and no packages are picked up.</p> <p>Note 7 – Transportation charges for a package measuring over one cubic foot (1,728 cubic inches) will be based on the dimensional weight of the package when the dimensional weight exceeds the actual weight. Dimensional weight is determined as follows:</p> <p>Step 1 – Calculate cubic size: Multiply the package length by the width by the height (round each number to the nearest whole inch) (LxWxH). The result is the cubic size of the package.</p> <p>Step 2 – Determine dimensional weight: Divide the cubic size of the package by 194 to determine the dimensional weight (in pounds). Increase fractions of a pound to the next full pound.</p> <p><u>LxWxH</u> = Dimensional Weight 194</p> <p>Note 8 – In the event a shipper selects the "Bill Receiver" or "Bill Third Party" option for a Next Day or 2nd Day UPS shipment and omits the account number or supplies an invalid account number, then in addition to being liable for the transportation and other charges, an additional charge shall be assessed. An account number is deemed invalid if it is not the correct account number for the bill-to party, or if it is the account number for a receiver or third party who fails to pay the shipping charges.</p>
	<p>Note 9 – Only those hazardous materials specifically permitted to be transported in limited passenger aircraft quantities as prescribed in the <i>UPS Guide for Shipping Ground and Air Hazardous Materials</i> and pursuant to Title 49 of the Code of Federal Regulations may be tendered for transportation using the expedited delivery service, and only customers who have completed a UPS standard form Agreement for Transportation of Hazardous Materials or have the provisions of that Agreement incorporated into their existing customized contract for shipping service with UPS may ship these Hazardous Materials.</p>

ITEM	RULES AND OTHER PROVISIONS WHICH GOVERN THE TRANSPORTATION OF PROPERTY
1060 CONT	<p>Note 10 – UPS Hundredweight is available for Expedited Service provided the total shipment weight is 100 pounds or more. All other terms and conditions of the UPS Hundredweight Service contained in the applicable UPS Service Guides and the effective UPS Rates will apply.</p> <p>Note 11 – UPS will determine, in its sole discretion, the mode(s) of transportation for packages shipped via Expedited Services, and all other services. Packages shipped via Expedited Services may be transported by air or surface transportation, or both, at UPS's sole discretion.</p>
1080	<p><b><u>CUSTOMER COUNTER/ONE-TIME PICKUP/ON-CALL PICKUP SERVICE</u></b></p> <p>A Customer Counter is a facility provided by UPS where packages are received for transportation by UPS. Customer Counters, One-Time Pickup Service, and On-Call Pickup Service will accept packages containing general commodities, except articles of unusual value (as defined in Item 460), Classes A and B explosives, household goods as defined in 49 U.S.C. § 13102(10), commodities in bulk, commodities requiring special equipment, hazardous materials requiring shipping papers in accordance with 49 C.F.R. Section 172.200, and those commodities injurious or contaminating to other lading, for shipment between points and places within the United States.</p> <p>The rate for delivery of packages by UPS from a UPS Customer Counter, or by One-Time Pickup or On-Call Pickup Service (as described in Items 570 and 572) to a commercial location (consignee's place of business or employment, not including a business operated out of a home) or to a residential location (a location that is a home, including a business operating out of a home) shall be the effective UPS Rates for UPS Customer Counter, One-Time Pickup and On-Call Pickup Service.</p> <p>If the delivery location could be construed as either residential or commercial, then the rates for residential delivery service will be applied.</p> <p>Note 1 – UPS does not accept for transportation, and shippers are prohibited from shipping: articles of unusual value (as defined in Item 460); packages with a value of more than \$5000 when the package is shipped as a result of a request for service made through the Internet by a shipper who has a UPS Internet shipping account only; in the case of a shipper's request for service made via a UPS Letter Center, packages with a value of more than \$500; Prepaid Letters having a value of more than \$100; packages shipped internationally containing jewelry (not including costume jewelry) having a value of more than \$500; and packages having a value of more than \$1,000 returned via UPS Print Return Label, UPS Print and Mail Return Label, or 1 UPS Pickup Attempt Return Services.</p> <p>The maximum liability per package assumed by UPS shall not exceed \$100. If additional protection is desired, the shipper may purchase insurance from an independent insurer for amounts in excess of \$100 by showing the full value of the package in the insured value field of the UPS shipping system used by the shipper. The insurance company's premium charge for such excess value insurance is available at each local UPS office. An insurance premium will be assessed for each additional \$100 or fraction thereof of insured value specified in the UPS shipping system used in excess of \$100 up to the Limits of Insurance, and the shipper will be automatically covered as an additional insured under a shipper's interest insurance policy, provided the shipper pays the additional charge. Insurance is not provided for Prepaid Letters.</p> <p>The excess value insurance policy covers a shipper for loss or damage to property tendered in accordance with the terms and conditions of this Tariff and the applicable UPS Service Guides from all risks of physical loss or damage from any cause, excepting only the exclusions specified below, from the time of tender to UPS and continuously thereafter during the course of transportation by UPS between locations which UPS serves.</p> <p>The excess value insurance policy does not cover or excludes coverage for: articles of unusual value (as defined in Item 460); Prepaid Letters; perishable commodities or commodities requiring protection from heat or cold, to the extent the loss or damage results from exposure to heat or cold or the perishable nature of the items; loss or damage due to war risks, nuclear damage, insects, moths, vermin, inherent vice (including, but not limited to, improper, inadequate, or unsafe packaging or wrapping that fails to meet UPS's published standards related thereto set forth in this Tariff or elsewhere), deterioration, dampness of atmosphere,</p>

ITEM	RULES AND OTHER PROVISIONS WHICH GOVERN THE TRANSPORTATION OF PROPERTY
1080 CONT	<p>extreme of temperature, ordinary wear and tear, or that which occurred or arose prior to or after the course of transportation by UPS; loss of or damage to any article which shippers are prohibited from shipping, which UPS is not authorized to accept, which UPS states that it will not accept, or which UPS has a right to refuse; and special, incidental, or consequential damages.</p> <p>The excess value insurance policy provides that the insurer's maximum liability is the lowest of: (1) the insured value indicated in the UPS shipping system used minus \$100; (2) the lesser of the actual cost or the replacement cost of the property insured at the time and place of loss or damage minus \$100; (3) the cost of repair of damaged property minus \$100; (4) \$50,000 per package minus \$100, except for (i) packages shipped via a UPS Letter Center, in which case the maximum liability is \$500 per package minus \$100, (ii) packages shipped as the result of a request for service made through the Internet by a shipper who has a UPS Internet shipping account only, in which case the maximum liability is \$5000 minus \$100, and (iii) packages returned via UPS Print Return Label, UPS Print and Mail Return Label, or 1 UPS Pickup Attempt Return Services, in which case the maximum liability is \$1,000 minus \$100; or (5) \$500 for international jewelry (not including costume jewelry) shipments minus \$100. For more information on the terms and conditions of this insurance, call Glenlake Insurance Agency, Inc., at 1-877-242-7930 to obtain an Excess Value Insurance brochure or a copy of the insurance policy currently in effect, or write to Glenlake Insurance Agency, Inc., 35 Glenlake Parkway, N.E., Atlanta, Georgia 30328. UPS's maximum liability per package shall not exceed \$100, regardless of the purchase of insurance for protection in excess of \$100.</p>
2000	<p><b><u>HUNDREDWEIGHT SERVICE</u></b></p> <p>UPS Hundredweight Service is available only for customers receiving Daily Pickup Service. Hundredweight Service may be selected by a shipper for shipment of freight classes 50-125 and general multiple-piece commodities which total 200 pounds or more for commercial or residential Ground or 3 Day Select delivery service or for expedited shipments totaling 100 pounds or more sent to a single address on the same day. Excluded shipments include: articles of unusual value (as defined in Item 460), Classes A &amp; B explosives, household goods as defined in 49 U.S.C. § 13102(10), commodities requiring special equipment, and those commodities injurious or contaminating to other lading, for shipments between points and places in the 48 contiguous United States.</p> <p>The rate for delivery of Hundredweight shipments pursuant to the terms and conditions of the UPS Hundredweight Service Explanation, with a value not exceeding \$100 per package, shall be the effective UPS Rates applicable to the shipment for shippers receiving Daily Pickup Service.</p> <p>Note 1 - RATE DETERMINATIONS - For Ground and 3 Day Select Hundredweight shipments, a minimum charge equal to the greater of either a charge based on 15 pounds per package or a shipment minimum charge in effect at the time of shipping will be assessed. For expedited Hundredweight shipments, a minimum charge based on an average weight of 10 pounds per package will be assessed.</p> <p>Note 2 – MAXIMUM WEIGHT PER PACKAGE is 150 pounds. The maximum weight for an "Other Regulated Materials" (ORM) package is 66 pounds unless further restricted in the <i>UPS Guide for Shipping Ground and Air Hazardous Materials</i>, which is available at <a href="http://www.ups.com">www.ups.com</a>.</p> <p>Note 3- For expedited shipments, if the dimensional weight of a package measuring over one cubic foot exceeds the actual weight, the dimensional weight of that package will be used in the calculation of the shipment billed weight. See Item 1060 for explanation of dimensional weight.</p> <p>Note 4 - UPS Letters are excluded from Hundredweight Service.</p> <p>Note 5 - UPS Return Services are not provided for UPS Hundredweight Service.</p> <p>Note 6 – Hazardous Materials packages requiring shipping papers in accordance with 49 C.F.R. Section 172.200 are not accepted in Hundredweight Service. In addition, all "Other Regulated Materials" (ORM) are prohibited in UPS 3 Day Select Hundredweight and expedited Hundredweight Service.</p> <p>Note 7 – UPS does not accept for transportation, and shippers are prohibited from shipping: articles of unusual value (as defined in Item 460); packages with a value of more than \$5000 when the package is shipped as a result of a request for service made through the Internet by a shipper who has a UPS Internet shipping account only; in the case of a shipper's request for service made via a UPS Letter Center, packages with a value of more than \$500; Prepaid Letters having a value of more than</p>

ITEM	RULES AND OTHER PROVISIONS WHICH GOVERN THE TRANSPORTATION OF PROPERTY
2000 Cont	<p>\$100; packages shipped internationally containing jewelry (not including costume jewelry) having a value of more than \$500; and packages having a value of more than \$1,000 returned via UPS Print Return Label, UPS Print and Mail Return Label, or 1 UPS Pickup Attempt Return Services.</p> <p>The maximum liability per package assumed by UPS shall not exceed \$100. If additional protection is desired, the shipper may purchase insurance from an independent insurer for amounts in excess of \$100 by showing the full value of the package in the insured value field of the UPS shipping system used by the shipper. The insurance company's premium charge for such excess value insurance is available at each local UPS office. An insurance premium will be assessed for each additional \$100 or fraction thereof of insured value specified in the UPS shipping system used in excess of \$100 up to the Limits of Insurance, and the shipper will be automatically covered as an additional insured under a shipper's interest insurance policy, provided the shipper pays the additional charge. Insurance is not provided for Prepaid Letters.</p> <p>The excess value insurance policy covers a shipper for loss or damage to property tendered in accordance with the terms and conditions of this Tariff and the applicable UPS Service Guides from all risks of physical loss or damage from any cause, excepting only the exclusions specified below, from the time of tender to UPS and continuously thereafter during the course of transportation by UPS between locations which UPS serves.</p> <p>The excess value insurance policy does not cover or excludes coverage for: articles of unusual value (as defined in Item 460); Prepaid Letters; perishable commodities or commodities requiring protection from heat or cold, to the extent the loss or damage results from exposure to heat or cold or the perishable nature of the items; loss or damage due to war risks, nuclear damage, insects, moths, vermin, inherent vice (including, but not limited to, improper, inadequate, or unsafe packaging or wrapping that fails to meet UPS's published standards related thereto set forth in this Tariff or elsewhere), deterioration, dampness of atmosphere, extreme of temperature, ordinary wear and tear, or that which occurred or arose prior to or after the course of transportation by UPS; loss of or damage to any article which shippers are prohibited from shipping, which UPS is not authorized to accept, which UPS states that it will not accept, or which UPS has a right to refuse; and special, incidental, or consequential damages.</p> <p>The excess value insurance policy provides that the insurer's maximum liability is the lowest of: (1) the insured value indicated in the UPS shipping system used minus \$100; (2) the lesser of the actual cost or the replacement cost of the property insured at the time and place of loss or damage minus \$100; (3) the cost of repair of damaged property minus \$100; (4) \$50,000 per package minus \$100, except for (i) packages shipped via a UPS Letter Center, in which case the maximum liability is \$500 per package minus \$100, (ii) packages shipped as the result of a request for service made through the Internet by a shipper with a UPS Internet shipping account only, in which case the maximum liability is \$5000 minus \$100, and (iii) packages returned via UPS Print Return Label, UPS Print and Mail Return Label, or 1 UPS Pickup Attempt Return Services, in which case the maximum liability is \$1,000 minus \$100; or (5) \$500 for international jewelry (not including costume jewelry) shipments minus \$100. For more information on the terms and conditions of this insurance, call Glenlake Insurance Agency, Inc., at 1-877-242-7930 to obtain an Excess Value Insurance brochure or a copy of the insurance policy currently in effect, or write to Glenlake Insurance Agency, Inc., 35 Glenlake Parkway, N.E., Atlanta, Georgia 30328. UPS's maximum liability per package shall not exceed \$100, regardless of the purchase of insurance for protection in excess of \$100.</p>

The End